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A LETTER

TO

General, Departmental and Divisional
Construction and Maintenance Officers
Their Agents and Assistants,

About

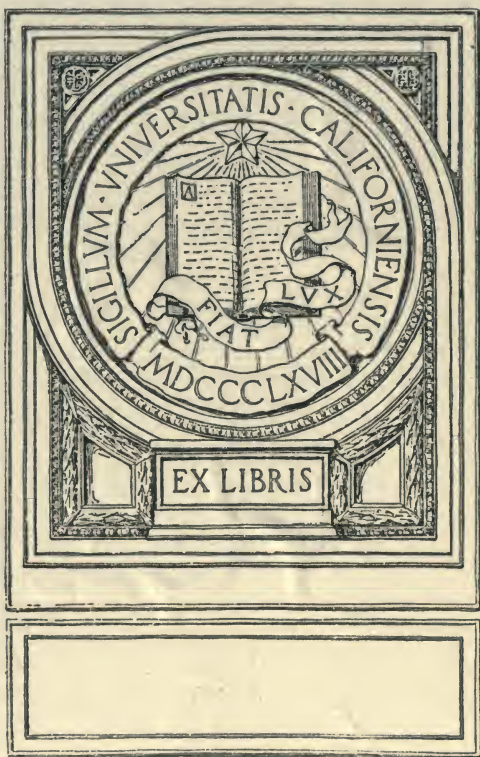
Construction and Maintenance Costs.

Prepared for Use on the Following Lines:

The Cincinnati, New Orleans & Texas Pacific Railway.
The Alabama Great Southern Railroad.
Georgia Southern & Florida Railway.
Northern Alabama Railway.
High Point, Randleman, Asheboro & Southern Railroad.
Yadkin Railroad.
Atlantic & Yadkin Railway.
Harriman & Northeastern Railroad.
Cincinnati, Burnside & Cumberland River Railway.
Woodstock & Blocton Railway.
Belt Railway Company of Chattanooga.
Augusta Southern Railroad. Blue Ridge Railway.
Danville & Western Railway. Tallulah Falls Railway.
Hartwell Railway. Lawrenceville Branch Railroad.
St. Johns River and Other Terminals
and
SOUTHERN RAILWAY.

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HE 2241

A LETTER

TO

11/14/17
Construction and Maintenance Officers
The Agents and Assistants

and

Construction and Maintenance Costs

Report for the year ending 1917

The following table shows the total amount of money received from the various sources during the year ending 1917:

1. From the sale of land 100.00

2. From the sale of buildings 50.00

3. From the sale of other property 25.00

4. From the sale of stock 150.00

5. From the sale of bonds 100.00

6. From the sale of other securities 50.00

7. From the sale of other property 25.00

8. From the sale of other property 25.00

9. From the sale of other property 25.00

10. From the sale of other property 25.00

11. From the sale of other property 25.00

12. From the sale of other property 25.00

13. From the sale of other property 25.00

14. From the sale of other property 25.00

Total

1,000.00

11/14/17

OFFICE OF THE COMPTROLLER.

WASHINGTON, D. C., December 1, 1916.

To Officers, Agents and Employees of the Maintenance Departments:

GENTLEMEN: The primal duty of Maintenance Officers, their Agents and Assistants, is to *do things*; that of the Accounting Officer is to record and to account for things done.

The work of Maintenance Officers is done under rules and specifications; so also is the work of the Accounting Officer. If a structure be built regardless of rules or specifications, disaster is likely to follow, and if the accounts be erroneously constructed and stated chaos will, and financial disaster may, be the result.

Possibly no two Departments are so mutually dependent upon each other for correctness of results as are the Maintenance and Accounting Departments. Especially is this true with respect to the dependence of the Accounting Officer upon the Maintenance Officer for the correctness of Property and Maintenance accounts.

Helpful, intelligent co-operation is the foundation of success on a railway; to give it fully we must know what is needed.

The object of this letter is to do my part in an effort to draw the Maintenance and the Accounting Officers more closely together, to the end that they may be helpful one to the other and by perfect teamwork add to the success of the Companies we represent.

Each cent of costs you incur for labor, including your own salaries and expenses, the cost of each piece of material you apply to or take out of service, and the cost of all tools and supplies used by you in repairing, improving, adding to or taking from roadway, tracks, fences, buildings, bridges, structures of any kind, tools, engines, cars, and all other physical property, must and does find its way into one of five general accounts. They are:

4. CONSTRUCTION AND MAINTENANCE COSTS.

- (1) PHYSICAL PROPERTY.
- (2) OPERATING EXPENSES.
- (3) INDIVIDUALS AND COMPANIES.
- (4) MATERIALS AND SUPPLIES.
- (5) PROFIT AND LOSS.

The rules of these Companies and the Federal Law tell us to which of these general accounts the costs we incur must be assigned. They also tell us how we can determine the proper account or accounts to which such costs must, under the rules, be charged or credited.

From some of the reports you have made for work done it is quite plain that in the past you have not understood, and probably you do not now fully understand, how the costs you incur must be charged. I shall try, in this letter, to tell you the distinctions between the several accounts, what the accounts represent or mean, and what you must do to enable the Accounting Officer to keep the accounts as he is required to keep them.

It is not my purpose to require you to keep elaborate books of accounts, but there are things you should know, things you must do, and things you must report to enable the Accounting Officer to correctly record your transactions and to keep the accounts.

The lines of distinction between the several accounts are tightly drawn and if we do not observe them we not only disobey the rules of these Companies, but we violate the law, and for such violation, if it be intentional, we are liable to be penalized.

PHYSICAL PROPERTY:

The general account Physical Property, better known as "Additions and Betterments," is intended to represent the Company's investment in its plant. The account is divided into three subdivisions; they are:

(I) ROAD, which represents right of way, roadbed, tracks, buildings, structures, and all other fixed property.

(II) EQUIPMENT, which represents engines, cars, and all other rolling stock.

These two subdivisions of the general account, Physical Property, are intended to represent the cost of *all* physical property used in transportation service; or, in other words, all property used in earning revenues.

The other subdivision is known as:

(III) OTHER PHYSICAL PROPERTY: It represents the cost of property which is not used in transportation service; as, for example, if rail be leased to others, its cost must be carried in sub-account III. If a station, roadway or other building be abandoned as a transportation unit and it be rented to others, or if it be used for purposes other than transportation, its cost must be transferred to sub-account III. If a car or other unit of equipment be removed from transportation service and used for purposes other than transportation, its cost must be transferred from sub-account II to sub-account III. If, however, a car be transferred to or set aside for use as a shanty, tool, repair, depot or office car, or for other transportation purposes (except cars transferred from revenue service to work service), its cost must be transferred from sub-account II to sub-account I.

These are merely illustrations; there may be many other pieces and classes of property, the costs of which must be transferred from one account to another when physical changes are made.

Each of the three sub-accounts of Physical Property, that is, "Road," "Equipment," and "Other Physical Property" is further subdivided into—(a) PROPERTY OWNED, and (b) PROPERTY LEASED, the latter representing property leased from others.

Additions, Betterments and Retirements costs incurred on leased property must be reported separately from similar costs made on owned property; when changes involving Additions, Betterments or Retirements are made on leased property, the name of the Company from whom the property is leased, upon which changes are made, must be shown on your reports. This is very important and the rules governing it must be carefully observed. Some in

charge of Maintenance may not know what property is leased, so it is of great importance that you state in your reports the exact location of all new units added and all changes made in existing units.

The costs to repair and maintain leased property operated by these Companies must be recorded and reported as Operating Expenses of the Company operating it; no distinction need be made in Maintenance costs as between property owned and property leased.

OPERATING EXPENSES:

The general account Operating Expenses, herein and for purposes of this study called "Maintenance," is intended to and must show the costs to the Company to repair and to maintain its physical property.

The distinction between costs of physical property and costs to repair and maintain it is tightly drawn and we must try to clearly understand the distinction between them and to correctly assign our costs to the two classes.

Maintenance costs are subdivided into:

(a) ROADWAY AND STRUCTURES, representing costs to repair and maintain all property of a fixed nature and:

(b) EQUIPMENT, representing costs to repair and maintain engines, cars, and all other rolling stock.

These two Maintenance accounts are further subdivided into sub-primary accounts for the purpose of showing the costs to repair and maintain the individual parts of property used in transportation service.

While you have been furnished with copies of the Official Classification of Operating Expenses showing these sub-primary accounts, with texts, rules, and explanations to guide you in applying Maintenance costs to them, extracts from them are hereto annexed for ready reference and for your general guidance. (See page 35 for Roadway and Structures and page 63 for Equipment.) These extracts serve as illustrations; you must not fail to be guided by the Official Classifications and rules.

The correct assignment of Maintenance costs to sub-primary accounts, while second in importance to the assign-

ment of costs to Physical Property and to the general Maintenance accounts, is of great importance and deserves your careful consideration. You should study the Official Maintenance Classifications and rules carefully.

THE \$200.00 OPTION:

The Official Classification of Road and Equipment, dated July 1, 1914, provides that if the cost of an individual "Additions and Betterments" project or job be less than \$200.00 we *may* charge such cost to Operating Expenses. That option was withdrawn on July 1, 1915, and under the existing rules, we must charge that part of all costs which may be properly classed as "Additions and Betterments" to the Property account regardless of the amount of such costs.

INDIVIDUALS AND COMPANIES:

The general account Individuals and Companies represents cost to us to repair, maintain or construct something for, or for the account of, other railways, firms, corporations or individuals, provided we are not responsible for the causes which make the repairs, maintenance or construction necessary.

I wish to emphasize here the importance of your knowing the terms of our contracts with railways, firms, corporations, and individuals under which we maintain roadway, tracks, coal trestles, buildings, and other things for their account. Those who are directly or immediately in charge of such work should also know what costs they incur are chargeable to others.

Many contracts provide that we shall maintain certain tracks and other things, for account of the owners of such tracks, etc. In like manner the rules of the Master Car Builders' Association tell us what repairs we make to cars are chargeable to car owners and to other railways responsible for damages we repair as well as the prices at which such repairs must be charged. Therefore, it is of prime importance that Section Foremen and Foremen of Bridges

and Buildings be advised of contracts or agreements relating to the maintenance of roadway and structures the cost of which, either wholly or in part, is chargeable to others, and that Car Repairers, Foremen of Engine and Car Shops, and Conductors whose duty it is to apply new air hose in place of old or broken hose, new brasses, and such other things which are chargeable to car owners, should understand and know how to apply the M. C. B. rules to work they do on cars and engines.

It is necessary for those men to understand the working agreements and rules, because our ability to render bills correctly against those for whom work is done depends entirely upon the correctness of the reports of such work. If work done is not correctly reported we are apt to charge too much, too little or probably nothing at all for repair costs for which we should be paid.

"Monuments" or Joint Account Signs are or should be so placed as to show the limits of all tracks used jointly by these and other Companies. Foremen should know which of such joint facilities we are required to maintain.

In like manner line posts or signs are or should be placed on all privately owned or operated spur, side, or commercial tracks to show where our tracks end and where the private tracks begin.

Section and Bridge Foremen must fully observe the rules for reporting work done and materials used between and beyond those signs and posts, because if they do not our "Maintenance" costs will be charged with costs which should be collected from others.

If, in an emergency case, work be done and materials be used on a track or facility *beyond* a sign or post and we do not ordinarily maintain the track or structure, such work and the materials used must be clearly and specifically reported by the Foreman doing it.

Let's now look to the other side of the repair and maintenance question, because it has two sides. While we are repairing and maintaining property of others, other railways are repairing and maintaining parts of our property or are repairing parts of their own property which we use

jointly with them. The men who report work done, those who keep the accounts, and those who make bills against us for work they do, are just as apt to make errors in such bills against us as we are to make mistakes in our bills against them; and unless our men who check and O. K. those bills are familiar with the working agreements and rules we are likely to pay too much, too little or nothing at all for services we receive.

Therefore, we must be able to correctly determine what we are entitled to collect for work we do for others and what we must pay for work others do for us. Let me, at this time, make this fact clear to you. If under a trackage agreement another railway agrees to pay us rental and a proportion of costs to maintain and repair a track or facility jointly used, we have no right to, nor must we include in our bills against that railway for maintenance costs, any costs incurred by us which are properly classed as "Additions and Betterments" unless the agreement specifically provides that such "Additions and Betterments" costs shall be included. If the contract so provides, the "Maintenance" and "Additions and Betterments" costs must be shown separately on the bills. On the other hand, if others charge us, under similar agreements, with "Additions and Betterments" costs, we must decline to pay the "Additions and Betterments" costs; or if the agreement provides that we should pay such costs, we must demand that they be shown separately in their bills.

MATERIALS AND SUPPLIES:

This is the account in which is carried the cost of materials and supplies owned. As such things are bought the costs of them, including freight and other expenses, if any, are charged to this account. When materials and supplies are drawn for use the costs at which the units drawn are carried in the account are credited to "Materials and Supplies" and charged to the account representing the thing on or for which they are to be used.

In repair and renewal work, also in dismantling units or parts of property which have been or are to be retired

from service, the material recovered, generally known as "salvage" or "scrap," should be separated as between:

(a) SERVICEABLE FOR SIMILAR USE BY THE COMPANY.

(b) SERVICEABLE FOR CONVERSION INTO OTHER UNITS OR PARTS.

(c) SCRAP FOR SALE.

All salvage as and when recovered or released should be recorded and reported by kind and quantity. Metal scrap of classes (b) and (c) should be separated and reported as between cast, wrought, malleable, steel, etc.

With the exception of rail released from track, which is arbitrarily valued, a fair value consistent with the uses to which it is to be put must be placed upon all salvage recovered. If it be of class (a), its value should be based upon current market values for similar units or parts, less a reasonable allowance for condition and wear; if it be of classes (b) and (c), its value should be based on a normal market value of scrap of its kind.

The value of salvage recovered must be credited to the account representing the thing or service from which it was released, and charged to the Materials and Supplies account.

Some of us may be inclined to "kite" salvage for the purpose of making a good showing in expenses. That is to say, we do not report, when released, some units or parts because we may use them again at other places, and we may believe that by not reporting them as and when released, we can put them back in use and our maintenance costs will be reduced to that extent. If we are guilty, let's stop the practice, because we gain nothing by it; if salvage is not reported as and when released Maintenance will not be credited with its value and nothing is gained by putting it back into use without value.

All salvage released or recovered retains the values at which it was released until and unless it be sold or used in "Additions and Betterments" work. To illustrate: A salvage part, when released, is valued at say \$20.00, and

taken into the "Materials and Supplies" account at that value; if it be used again in repair work, "Maintenance" must be charged \$20.00 for it; if it be used in an "Additions" or a "Betterments" job, the price at which it should be charged should be what a similar article in like condition would cost in the open market; if it be sold, its value to us is what we get for it. If the market or sale value be more than the value at which it is carried in the accounts, the difference or profit when it is applied or sold must be credited to the account originally credited when the part was released; if the value be less, the difference must be charged to that account.

We should and must, for operating purposes, avoid placing high or abnormal prices on salvage. If adjustments in values are to be made, let's be in position to adjust "up" and not "down." The present scrap market is abnormally high; next week or month or year it may be abnormally low. An adjustment of material values which produces a credit to "Maintenance" is much more desirable than one which produces a debit, and a debit is sure to follow if our values are too high.

PROFIT AND LOSS:

You are interested in this account only in connection with property abandoned and not replaced. Charges and credits to it must be made only as and when directed by the Chief Accounting Officer.

APPROPRIATIONS AND AUTHORITIES:

Money to be spent in changing, adding to, taking from, maintaining, and repairing "Physical Property" is authorized in two ways:

- (1) Monthly appropriations for labor and materials, generally understood to be for ordinary "Maintenance," and—

- (2) Special appropriations for extraordinary or special work for which individual or special authorities are issued.

Reports received indicate that some believe all costs incurred under the monthly appropriations should be charged to "Maintenance" and that the entire cost of work done under special authorities must be charged to the "Property" account. The reports also indicate that some understand the costs of all work done by Maintenance forces must be classed as and charged to "Maintenance" and that the costs of all work done by Construction forces must be charged to Construction or to the "Property" account. If these beliefs exist in the mind of any one, let's get rid of them because they are wrong. The things you do determine the accounts to which the costs to do them must be charged.

In reporting work done under a special authority, you should charge the labor and material costs to the job covered by the authority in such detail and with such clearness as will enable the Accounting Officer to properly distribute the costs to the accounts to which they belong.

Completion reports are required for each piece of Additions, Betterments, and Retirements work done under both "Maintenance" and "Special Authority" programs, and those reports must give sufficient detail as to final costs to enable a correct distribution of such costs in the accounts.

Estimates of, and authority forms for, these extraordinary jobs are generally prepared by Resident Engineers or Roadmasters. It would save a great deal of letter writing and telegraphing, and would enable a much more correct distribution of charges, if, in preparing estimates of and forms for extraordinary jobs, more details were given. You should describe fully on the forms what you intend to do; state clearly on them the thing you are to build, giving estimates of the costs of each of its component parts, divided between labor and material. If it be an addition, so state; if it be an improvement, give the necessary facts as to what it improves, what is to be added and what is to be discarded, with estimated costs and a full description of salvage and to what use the salvage will be put. In brief, the authority form and the supporting

papers should so fully describe the job as to make it unnecessary for any one to ask questions about it.

PROPERTY COSTS OR VALUES—CHANGES IN:

As has been previously explained, the general accounts "Physical Property" are intended to represent the Company's investment in its plant and its investment in property it leases from others. We are required by the rules, as well as by the law, to maintain the integrity of those accounts.

Before July 1, 1907, under practices which then prevailed, and probably since that date through error or misunderstanding of the requirements, the costs of many units or parts of "Physical Property" were, when constructed or when installed in renewals, charged to accounts other than the "Property" accounts and, as a result, there is nothing now in the "Property" accounts to represent them.

There are two reasons why you should clearly understand this fact now. First, we must try in the future to charge and credit "Property" accounts with all costs with which they are properly chargeable or creditable; and, second, as the "Property" accounts are affected by each and every addition, betterment or retirement and in many cases renewal of "Physical Property," we must see to it that in making such changes those accounts are not erroneously increased or decreased.

We are required, on the one hand, to add to "Property" accounts the costs of all additions and betterments; and, on the other hand, to take out of those accounts *all costs standing in them* for units or parts abandoned and not replaced, or units or parts which may be retired in renewals.

The old rule that "you cannot take something from nothing" must be clearly understood and literally applied in dealing with property values. To illustrate this point: Suppose that in 1906 we constructed a station building at a cost of \$3,000 and charged it to "Maintenance"; we now find it necessary to tear that building down and build

a larger one at a cost of \$8,000. Our first impulse would be to credit "Property" account \$3,000 and charge "Maintenance," less salvage, which is chargeable to "Materials and Supplies," with a like amount, and to charge the \$8,000 to "Property" account. If we should do that, the result would be a net increase in "Property" account of \$5,000 for an \$8,000 structure and a duplicate charge to "Maintenance." "Property" account not having been charged with \$3,000 for the old building when it was constructed, cannot properly, nor should it be, credited with anything when the building is retired.

A more striking illustration of errors of this kind is the renewal of rail of one weight with rail of a heavier section. Prior to July 1, 1907, nearly, if not all, our rail renewal costs were charged to "Maintenance." Let's assume that rail values standing in the "Property" account are on basis of 65-pound section and that in 1900 we renewed with 85-pound and charged it, less salvage, to "Maintenance"; we now renew the 85-pound with 95-pound section; the natural impulse would be to consider 10 pounds as representing the "Betterments," when the fact is "Property" account would be entitled to an addition of 30 pounds per yard.

It is fully realized that Maintenance Officers and Agents do not in all cases know what the costs of units or parts retired or replaced were or where they were charged in the accounts when they were installed, and it is not intended to place on them the burden of finding this out. It is "up to" the Accounting Officer to "dig out" those facts, but our Maintenance friends must give him the physical facts upon which the correct accounting can be built.

Maintenance Officers must, in their reports to the Accounting Officer, describe fully what changes they make in "Physical Property." They should give locations, descriptions of parts or units released, and, when possible, the date the unit or part taken out was put in; they should also show the class under which the released part or salvage belongs.

If, in ordinary "Maintenance," a part is released and a better part is substituted and it is impossible to determine the cost of the part released, or to ascertain where it was charged when it was installed, we must assume its cost was, when installed, charged to "Property" account, and, for "Betterment" purposes, its value when released is what a similar article new would cost. Let's illustrate this:

Suppose we wish to replace an ordinary No. 8 rigid frog with a manganese insert frog costing, say, \$100.00. We cannot tell what was paid for the ordinary frog we take out, neither can we tell where its cost stands in the accounts. The price, at the time of renewal of a new ordinary frog of the kind we take out is, say, \$35.00. We must then assume that the cost of the frog released was \$35.00, and the measure of "Betterments" will be the difference between that cost, \$35.00, and the cost of the new \$100.00 manganese frog, or \$65.00. The labor cost to take out the old and put in the new, less the salvage value (not the assumed value) of the old, must be charged to "Maintenance."

The foregoing illustration applies only to minor units or parts renewed in ordinary "Maintenance." Our records should and must tell us the cost of larger units and where they were charged; the rule as illustrated by the frog must apply only to the smaller units and in cases when and where the facts about the things we take out cannot be ascertained. The theory of "cost to renew in kind" must not be applied when it can possibly be avoided.

PHYSICAL PROPERTY—CHANGES IN:

Changes in "Physical Property" result in one of three things: either an "Addition," a "Betterment," or a "Retirement." Generally speaking, a "Retirement" follows each "Betterment" and in many cases "Retirement" is involved when "Additions" are made.

To enable you to fully understand and appreciate the Accounting Officer's dependence on your records and on the reports you render, to properly record and state his

accounts, you should clearly understand the meaning of these three terms, which, as previously stated, are better known as "Additions and Betterments," and the application of the work you do to them. So let's study their meaning together.

ADDITIONS:

If a unit or part be installed where none previously existed, or if something be added to a unit or a part already in existence, the work must be classed as "Additions," and the cost of the material or thing installed and the labor cost to install it must be classed and reported as "Additions."

If the cost of a unit or part now in use *be retired in the accounts* and a better unit or part be put in its place, the cost of the new part and the labor cost to install it must be classed as "Additions," but the labor cost to take out the old part, plus the difference between the cost at which it was originally installed (which should be its retirement value) and its salvage value, must be charged to "Maintenance."

Let's illustrate this with the manganese frog. We will assume for this illustration the old frog stands in the "Property" account at \$45.00, of which \$35.00 represents the cost of the frog and \$10.00 labor costs to install; it will cost \$5.00 to take it out and its salvage value is \$20.00. The manganese frog costs \$100.00 and the cost to install it is \$10.00. We first credit "Property" account to retire the old frog..... \$45.00
We charge "Property" account:

Cost of new frog.....	\$100.00	
Cost to install it.....	10.00	
		110.00

Net "Additions".....		\$65.00
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We then charge "Maintenance":

With cost to retire the old frog..	\$45.00	
With cost to remove it.....	5.00	
		\$50.00

And we credit "Maintenance" and charge	
"Materials and Supplies" with the amount	
representing the salvage value of the old	
frog	20.00

Net charge to "Maintenance"	\$30.00
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This is a good place to illustrate the point made about salvage values, so let's do it. Suppose the Roadmaster or the Accounting Officer should, when the old frog is released, reason this way: "Scrap is high and this old frog is fully worth \$60.00 as scrap on the present market, and if it be released at \$60.00 "Maintenance" will get a net *credit* of \$10.00 instead of a charge of \$30.00 if its released value be placed at \$20.00, so here goes." If the market stays up until the Purchasing Agent sells the frog, or until it is used in "Additions and Betterments" work, he makes good. But suppose the market goes down and it is sold for \$20.00, his "Maintenance" must at that time, and it may be when he can least afford it, "make good" the \$40.00. On the other hand, if the frog be released at \$20.00 and when sold it brings \$60.00, "Maintenance" would get its credit for \$40.00 at time of sale. Which do you think is the healthier condition?

BETTERMENTS:

By "Betterments" is meant the improvement of service or use by taking out an inferior unit or part and putting a better unit or part in its place; or, in other words, the renewal of an inferior unit or part with a better thing, or the substitution of a better part for a worn-out part of an inferior pattern, *provided, always*, that the cost of the unit or part removed *be not retired in the accounts*. If the cost of the old be retired the transaction becomes an "Addition."

The rules provide, in substance, that when the cost of renewals to be made to an important building or other structure or to any unit of equipment (the car or engine is the equipment unit) will constitute the major portion of

its value as renewed, the unit when taken out of service shall be considered as retired; in such cases the renewed unit must be classed as "Additions."

While it is not intended to apply this rule to the renewal of minor units or parts, it should be given careful consideration in "Betterments" projects involving bridges, buildings and other structures; also cars and engines.

Bear clearly in mind that in doing things classed as "Betterments" the labor costs (except in unusual or extraordinary cases) to take out the old and to put in the new unit or part must be charged to "Maintenance," and that the salvage value of the old part released (which please estimate conservatively) must be credited to "Maintenance" and charged to "Materials and Supplies."

If a worn-out unit or part be released and another part, either new or second-hand, of the same style, type, and pattern, be put in its place the entire cost of the transaction, including labor of taking out the old and putting in the new, must be classed as and charged to "Maintenance"; the value of the old part released must be credited to the same "Maintenance" account and charged to "Materials and Supplies."

The measure of "Betterments" costs will be the difference between the cost of the new part installed and the cost at current prices of a new part of the same kind as the old part taken out; *provided, always*, that the cost of the old part removed and its location in the accounts cannot be determined.

While we must adhere to and comply with the rules as nearly as we can, there are and will be cases in connection with "Betterments" where the "rule of reason" must be applied. For instance, in substituting electric for oil-burning headlights the installation of the electric light requires much more labor costs to install than is required to install an oil light, because electrical appliances must be installed with the electric headlight, and no such labor costs were incurred in putting in the oil light. We, therefore, cannot assume that the labor costs to install the new light is a proper charge to "Maintenance."

A few illustrations will help us more clearly to understand what "Betterments" means.

Assume that the ordinary No. 8 rigid frog previously referred to be worn out and we renew it with a new No. 8 rigid frog of the same type. The entire cost would be "Maintenance"; but if we replace it with a manganese frog and *do not retire the old frog in the accounts* the transaction would be "Betterments." We would charge the cost of the new frog to "Additions and Betterments" account, say \$100.00; determine the value new at current prices of the old No. 8, say \$35.00, and credit it to "Additions and Betterments"; the difference, \$65.00, would be the measure of "Betterments." We would charge "Maintenance" with all labor costs in the transaction and credit it with the salvage value of the old frog.

If metal carlines be substituted for wooden carlines, we would charge the cost of the metal ones to "Additions and Betterments," determine the cost new of the wooden ones at time they are released, and credit that value to "Additions and Betterments"; the salvage value in this case would be little, if anything.

If steel underframes or steel end sills, or if steel or metal parts of any kind be substituted for wooden parts in or under a car, the same process must be followed and the transactions would be "Betterments," *provided* the work done on the car does not fall within the "Retirement" rule; if it does, then the job must be classed as "Additions."

We must not forget that "Betterments," like "Individuals and Companies," has two sides; that is to say, a change in a unit might result in a credit to "Betterments." Let's illustrate it with the manganese frog. Suppose a manganese frog, put in some time ago, should prove to be less serviceable than the No. 8 rigid frog and we decide to discard the former and substitute a new No. 8.

We would charge Additions and Betterments	
with cost of a new No. 8, say	\$35.00
and credit the same account with the cost at time	
of the change of a new manganese frog, say . .	100.00
Net credit to "Betterments"	\$65.00

Labor costs to make the change would be charged to "Maintenance."

This is merely an illustration. The same rule should and must apply to other units or parts renewed with different types which cost less than the type removed.

RETIREMENTS:

By "Retirements" is meant the tearing up or the destruction of a unit or part heretofore used. "Retirements" are divided into two classes. They are:

(1) Units or parts destroyed or removed and not replaced with something else to serve similar purposes.

(2) Units or parts destroyed or removed and replaced with something else to serve similar purposes.

If a sidetrack be abandoned and the metal be taken up, the "Retirement" would fall under the first class.

If a station or other building be torn down and a new one be built to take its place, the "Retirement" would be of the second class.

If a new right of way fence be built to take the place of an old or inferior fence, the "Retirement" of the old fence would fall under the second class, and so on throughout all the units or parts you take up, destroy or renew.

Now note what must be determined and done in the audit. If a unit or part of the first class be retired, its cost standing in the "Property" accounts must be determined and the appropriate "Property" account must be credited with such value; the salvage value of the old material released must be determined and charged to "Material" account. The difference between the amount credited to the "Property" account and the value of the material released, together with the cost of demolishing the property, if demolished by or for account of the Company, must be charged to "Profit and Loss."

If the unit or part retired be of the second class, that is, if it be replaced with a new unit or part, the same process

must be followed as in retiring parts of the first class, except that the difference between the cost standing in the "Property" account and the value of salvage recovered, together with the cost of demolishing the property, must be charged to "Maintenance" instead of to "Profit and Loss."

Bear in mind that if a unit or part be abandoned, but not destroyed or dismantled, no "Retirement" takes place at that time. To illustrate: If a new station be erected on a new site and the old one is left standing, there would be no "Retirement" until the old building is demolished, sold or otherwise permanently withdrawn from service.

If the cost of a unit or part to be destroyed was charged to "Maintenance" when it was originally installed, there will be nothing representing its cost in the "Property" account, and when it is retired no part of its original cost will be deducted from "Property" account or charged to either "Profit and Loss" or to "Maintenance." The salvage, if the unit or part be of the first class, will be credited to "Profit and Loss" and the cost to dismantle it will be charged to the same account. If it be of the second class, the salvage will be credited to "Maintenance" and the cost to dismantle must be charged to "Maintenance."

As a general thing, your records will not show original costs, neither will they show how such costs were charged; they should show or you should know when a unit or a part retired was installed and you should be able to fully describe it. It will be necessary for your reports to the Accounting Officer to show fully what is done in respect to such "Retirement."

I must remind you that the rules provide that if the cost to renew a unit or a part constitutes the major part of its cost when renewed, the unit or part to be renewed may be retired in the accounts and the total cost of the new part must be charged to "Additions" if the old part be treated as a "Retirement."

It will be our purpose, where and when it is practicable to do so, to retire old units or parts and to treat the installation of the new work as "Additions." The treatment of renewals in this manner will, however, be determined in

the Audit Office, and to determine correctly what should be done in each case you must show on your reports to the Accounting Officer all facts connected with each project.

DONATIONS:

When right of way or land is donated or given by others upon which tracks or structures are to be built, the money value of such land must be carefully and conservatively estimated and the value thus determined must be included in and considered as a part of the cost of the project. Authority forms for the job must show such estimated values.

When cash or other physical values are given or donated in connection with "Additions and Betterments" work they must also be treated as parts of such costs and charged to the "Property" account. Such values must also be shown in the authorities for the project.

If a donation or gift be made by a Town, City, County, or State, or by the Federal Government, the value must be credited to "Grants in Aid of Construction" (Account No. 754). If it be made by an individual, firm or corporation the value must be credited to "Profit and Loss."

Now let's sum up and see what all this means anyway. It means this:

The Accounting Officer is absolutely dependent upon the aid and intelligent co-operation and support of Construction and Maintenance Officers and their Assistants to correctly keep the "Property" and "Maintenance" accounts of these Companies.

Time books kept by Construction, Section, and Bridge and Building Foremen and time cards of and repair cards and records made by Car Repairers and Foremen of Engine and Car Shops are the bases upon which "Property" and "Maintenance" accounts are built. If those books, cards, and records are incorrectly kept the accounts produced from them will not be correct.

Unless those under whose immediate supervision work is done clearly understand what must be reported and how

it must be reported, we cannot expect correct accounting, and if accounts are not correctly kept they are not worth much.

I earnestly ask your aid and intelligent co-operation in impressing upon all concerned the importance of their knowing and understanding fully the things herein set forth.

Your office records and your reports to the Audit Office should be so clear, so full and so complete as to enable the Accounting Officer to record your transactions quickly and correctly.

If there is anything in this letter which you do not or cannot understand, do not "ask Mr. Foster," but go direct to the appropriate Accounting Officer with your troubles.

Illustrations of the rules and regulations referred to follow.

Extracts from the Official Classifications of Maintenance of Way and Maintenance of Equipment are appended for your further guidance; please read them, but do not forget that you must not depend entirely on such extracts for information. You should and must study and apply the official rules and classifications.

A. H. PLANT,
Comptroller.

COPY TO ACCOUNTING OFFICERS:

You may find something of interest to you in this letter and in the illustrations which follow.

Some Illustrations of the Classification of Work Done by the Maintenance of Way and Structures Department.

FENCES—ROADWAY:

If a new fence be built where none existed, entire cost is "Additions." If additional boards, wires or posts be applied to an existing fence, it is "Additions." If an existing fence be repaired, it is "Maintenance." If an existing fence be torn away and a new one built in its place, describe the old fence and say when it was built, and class the entire cost of the new fence as "Additions."

RIGHT OF WAY:

Clearing, cleaning and ditching old right of way is "Maintenance." If such work be done on new right of way acquired for new tracks or lines, it is "Additions."

SIDE, PASSING AND SPUR TRACKS:

The cost to construct a new and additional side, spur, passing or other kind of a track is "Additions." If a track be extended, it is "Additions"; but the cost to shift or to connect up the old track with the new is "Maintenance." If a track be shifted from one place to another and its length is not increased, it is "Maintenance." If an existing track be taken up or shortened, the labor cost to take it up is chargeable to "Profit and Loss." The value of salvage must be determined and charged to "Material" account and credited to "Profit and Loss." The cost of the track standing in "Property" account must be credited to "Additions" and charged to "Profit and Loss."

BUILDINGS:

If a new and additional building be erected and it does not take the place of one destroyed or torn down, it is "Additions." If it does take the place of one destroyed or torn down, it is "Additions," and the old building must be "retired." If a

building be enlarged, or if a platform be lengthened or widened, it is "Additions." If a building be improved by taking out an old part and putting in a better part, both "Betterments" and "Maintenance" are involved. Repairing and renewing in kind or restoring parts in like kind is "Maintenance."

BRIDGES AND TRESTLES:

If a bridge or trestle be strengthened by adding parts to it, it is "Additions." If one or more parts be taken off and better parts put on, both "Betterments" and "Maintenance" are involved. If a metal or concrete bridge be built to take the place of a wooden or inferior structure, both "Betterments" and "Maintenance" are involved. If the old structure be retired, the new work will be "Additions." If creosoted timbers be put in a trestle in place of plain timbers, both "Betterments" and "Maintenance" are involved. If a trestle be ballast-decked, the old trestle may be retired and the new charged as "Additions," provided the cost of the ballast-decking forms a major portion of the completed cost; otherwise, treat the new work as "Additions." If bridges, trestles or other openings be filled, ask the appropriate Accounting Officer for instructions.

CULVERTS AND OTHER OPENINGS:

If a metal, concrete or other improved or better form of culvert be built to take the place of a wooden or inferior one, the old culvert should be "retired"; if it is, the cost of the new is "Additions." If the old is not "retired," both "Betterments" and "Maintenance" are involved. If a culvert be built to take the place of an opening, both "Betterments" and "Maintenance" are involved. If an existing culvert be enlarged with same class of material as the old, both "Betterments" and "Maintenance" are involved. If it be renewed or repaired in like material, it is "Maintenance."

TUNNELS:

If a tunnel be relined with the same class of material, it is "Maintenance"; but if a wooden or inferior lining be replaced with a brick or better lining, both "Betterments" and "Maintenance" are involved. The labor of relining is "Maintenance."

CUTS:

If a cut be widened beyond its original width, it is "Additions." Dressing, sloping and ditching cuts is "Maintenance."

FILLS:

If a fill be widened beyond its original width, it is "Additions." The cost to fill to its original width and to restore it when washed or otherwise destroyed is "Maintenance."

GRADES:

If grades be reduced or eliminated by cutting down hills, or if sags be raised above original elevation, it is "Additions."

BALLAST:

If ballast be applied where none previously existed, it and the cost to prepare the track for it are "Additions." If there be a standard depth for ballast and a piece of track be only partly ballasted, and you now put on more ballast to bring its depth up to the standard, it is "Additions." The renewal of ballast in like kind is "Maintenance." If, however, a better ballast be applied where an inferior ballast exists, both "Betterments" and "Maintenance" are involved.

TIES:

The renewal of ties, like with like, or the substitution of treated ties for untreated ties, is "Maintenance." If in renewing or respacing ties more ties are put in than are taken out, or if additional ties be put in, the cost of the additional ties put in and the labor costs in installing them are "Additions."

TIE PLATES, ANTI-CREEPERS, DERAILED AND OTHER TRACK APPLIANCES:

If units or parts, including spikes, bolts and other appliances, be put in where none existed, it is "Additions." If improved or better units or parts are substituted for worn-out, broken or inferior units or parts, both "Betterments" and "Maintenance" will be involved. (See "Retirements.")

SWITCHES, FROGS, CROSSINGS AND OTHER TRACK APPLIANCES:

(Apply the same rule given for Tie Plates.)

RAIL:

If worn or broken rail be replaced with rail of the same weight, it is "Maintenance." If rail of one weight be replaced by rail of greater weight or of an improved pattern, the difference between the weight of the rail released and the rail put in is "Betterments," *provided always* that the entire cost of the rail released is in the Property Account. (See reference to rail, page 14.) The labor costs to renew is "Maintenance."

ORDINARY REPAIRS:

Ordinary repairs to roadway, track, buildings and structures of every kind, including replacements in kind, are "Maintenance."

The foregoing are illustrations of some of the things you do both in extraordinary and in ordinary "Maintenance" work. They are given here for the purpose of establishing principles which must be applied to all of the work you do.

Bear this clearly in mind: The Official Classifications direct that if in the construction of an "Additions" or a "Betterments" project it be found necessary to move from one location to another a building, fence, telegraph or telephone pole and wires, or structures of any kind, the cost to move, reset and place in operation must be charged to "Maintenance."

If in making track changes, renewing bridges or doing any other roadway work it be necessary to protect traffic or trains by employing watchmen, operators or others, the costs incident thereto must be charged to "Maintenance."

Illustrations dealing with Equipment follow.

Some Illustrations of the Classification of Work Done by the Maintenance of Equipment Department.

EQUIPMENT DESTROYED:

If a locomotive, a car or other unit (an engine or a car is the equipment unit) of Equipment be destroyed, or if it be so damaged as to make its repair economically impracticable, the cost of the unit, including "Additions and Betterments" costs applied to it, must be written out of the "Property" account, and the transaction must be treated as a "Retirement."

CONDEMNATION OR SALE:

If a unit of Equipment be condemned, sold or taken out of service for any cause, its cost, including "Additions and Betterments" costs applied to it, must be written out of the "Property" account, and the transaction must be treated as a "Retirement."

EQUIPMENT TRANSFERRED OR CONVERTED:

If a unit of Equipment be transferred from one class to another class; for instance, if a box car be converted into a "shanty" car, the cost of the box car, including "Additions and Betterments" costs, must be written out of the "Property" account as a box car, and the transaction must be treated as a "Retirement."

The value of the car as a roadway unit must be appraised (consideration being given to the second-hand portions remaining therein) and the appraised value must be charged to the "Property" account; this transaction must be classed as an "Addition."

If a revenue or a roadway car be set aside for use as an office, depot, tool or oil house, or for any other fixed use or purpose, the cost of the car, including "Additions and Betterments" costs, must be written out of the "Property" account—Equipment, and the transaction must be treated as a "Retirement." In conversions of this kind the value of the car as a

fixed unit for roadway purposes must be determined, and that value must be written into "Property" account—Road. This transaction must be treated as an "Addition."

EXTRAORDINARY REPAIRS:

If a unit of Equipment requires extraordinary repairs or renewals and the repair or renewal costs will constitute the major portion of its *value as renewed*, the unit to be repaired or renewed should be written out of the "Property" account and the transaction treated as a "Retirement." The value of the unit as repaired or renewed must be appraised and the appraised value written into the "Property" account; this last stage of the transaction must be treated as an "Addition."

In appraising Equipment as new which has been transferred, converted, repaired or renewed, we must be careful to see:

1st. That the repair or renewal costs will equal the major part of the appraised value of the unit, and

2nd. That the appraised value does not exceed the cost (at current market prices of labor and material) of new equipment of similar type, equal capacity and equal expectation of life in service, less a suitable allowance on account of second-hand parts remaining therein.

RETIREMENT VALUES OF EQUIPMENT:

Equipment costs are or must be kept and recorded in the Audit Office by individual units. Depreciation is accrued monthly on such costs, and as it accrues depreciation is charged to "Maintenance."

From each unit of Equipment destroyed, condemned or otherwise retired there will be more or less salvage. Some of the salvage may be used again in building other units, some of it may be converted into other parts or things, and some of it may be sold as scrap; so that in retiring units of Equipment we have three things to reckon with:

1st. Cost of the unit in the "Property" account.

2nd. Accrued depreciation to date of "Retirement."

3rd. Value of salvage recovered.

"Property" account is credited with the cost of the unit; "Depreciation" is charged with the accrued depreciation; "Ma-

terials and Supplies" is charged with the value of the salvage, and "Maintenance" is charged with the balance.

Let us illustrate it in dollars: A unit cost is, say, \$1,000; depreciation accrued, \$300; salvage, \$300.

Credit "Property" account.....	\$1,000	
Charge Depreciation.....	\$300	
Charge Materials and Supplies (Salvage)....	300	
Charge Maintenance the balance.....	400	
	\$1,000	\$1,000

SALVAGE VALUES—EQUIPMENT:

If a unit of Equipment be sold, its salvage value is what we get for it as a unit. If it be retired at an estimated salvage value and the selling price be greater or less than the salvage value at which it was retired, "Maintenance" must be credited if it be greater, and charged if it be less than the retired value. This rule likewise applies to scrap sold; what we finally get for scrap fixes its value, and adjustments must be made to that value if it be different from the "Retirement" value. All this is more fully explained in the letter under the heading of "Materials and Supplies" (page 9); read it over again.

Equipment values are kept by individual units, and it is of great importance that the Accounting Officer be advised promptly and fully of each unit added, destroyed, retired or condemned, and also each unit to or on which "Additions and Betterments" are made, with the details and costs of such "Additions and Betterments."

The requirement of the Division of Valuation of the Interstate Commerce Commission, that an authority form be issued for each change in "Physical Property," applies to all changes in Equipment as well as Road. For our own purposes, the authority forms for changes in Equipment are of equal, if not greater, importance than those for changes in Road, because we keep the Equipment accounts by individual units and depreciation is accrued on unit values. All authorities for "Retirements," "Additions," "Betterments" or "Condemnations" must show kind, class, capacity and individual numbers of both locomotives and cars.

No unit of condemned Equipment should be dismantled until advice of its "Retirement" has been given by the Accounting Officer.

The Accounting Officer must be promptly advised of all units of Equipment destroyed on both home and foreign lines.

LOCOMOTIVES.

HEADLIGHTS—SUBSTITUTION OF ELECTRIC FOR OIL:

Cost of the electric appliance, including generators, pipe, valves and all other appliances, and labor costs to install must be classed as "Additions." The market value installed of the type and pattern of the oil light at time of the conversion must be classed as "Retirements" and charged to "Maintenance"; credit "Maintenance" with salvage value of old light.

FIRE-BOX DOORS:

If a pneumatically operated fire-box door or a mechanical stoker be substituted for a hand-operated door, cost of the new appliance plus labor cost to install the new appliance must be classed as "Additions." Retire the old door at the existing market value installed of a new door of same pattern and charge "Maintenance" with a like amount, including labor cost to remove the old. Credit "Maintenance" with salvage value of old.

AIR PUMPS—ADDITIONAL:

If an additional air pump or other appliance be applied, class cost of the appliance and labor costs to install as "Additions."

CONVERSIONS:

If a locomotive originally constructed to operate with saturated steam be converted into a "superheated" type, "Additions," "Betterments" and "Maintenance" will be involved.

Cost of the superheated Equipment in its entirety, including labor costs to install, will be "Additions."

Cost of the new cylinders, replacement of both flue sheets, larger flues, new type of throttle valve, new front sections of frame, etc., must be classed as "Betterments"; labor costs to

take down the old and install the new unit must be charged to "Maintenance." The old parts released must be appraised at existing market prices of parts new of similar pattern and charged to "Maintenance" to the credit of "Betterments." "Maintenance" must be credited with salvage value of parts removed.

If the value of the locomotive after conversion justifies it (see page 30), the original locomotive should be retired, and the entire cost of the converted unit should be classed as "Additions."

FLANGE LUBRICATORS:

If flange lubricators be applied where none previously existed, class entire cost as "Additions."

MISCELLANEOUS SUBSTITUTIONS:

Driving Boxes—Steel in place of cast iron.

Wheel Centers—Steel in place of iron.

Buffer Beams—Steel in place of wood.

Valve Gear—A better type for an inferior type.

Truck Wheels—Steel in place of iron.

Reversing Gear—Power in place of hand reverse levers.

Class all such changes as "Betterments."

PASSENGER-TRAIN CARS.

METAL PLATES:

Applied to end sills, "Additions"; reinforcement of ends, "Additions."

TOILETS:

Substitution of sanitary for common design toilets, "Betterments."

FREIGHT CARS.

Underframes—Steel in place of wood.

End Sills—Steel in place of wood.

Body Bolsters—Steel in place of wood.

Carlines—Metal in place of wood.

Safety Hopper Door Operating Device in place of old design.

Draft Gear—Higher capacity in place of old design.

Class and treat all such changes as "Betterments."

If additional carlines or other appliances be added, class and treat as "Additions."

SHOP FACILITIES:

If additional machinery be installed, its cost, including cost to install, is "Additions." If a machine or part be worn out and is replaced with one of same type and pattern, the entire cost is "Maintenance," but if it be replaced with one of an improved type, both "Maintenance" and "Betterments" are involved.

If additional ordinary small hand tools be bought, "Additions" are involved; if new tools be bought to replace old ones, it is "Maintenance."

The foregoing are merely illustrative of the transactions occurring in connection with Maintenance of Equipment.

Bear this in mind: The cost to dismantle condemned or otherwise retired equipment must be charged to "Maintenance" and the value of salvage recovered must be credited to "Maintenance."

Extracts from the Official Classifications of Maintenance of Way and Structures and Maintenance of Equipment follow.

Extracts from the Official Classification Pertaining to Maintenance of Way and Structures

THE ACCOUNTS AND TEXTS HERE PRESENTED ARE FOR ILLUSTRATIVE PURPOSES. YOU MUST REFER TO AND BE GUIDED BY THE OFFICIAL CLASSIFICATIONS.

I. MAINTENANCE OF WAY AND STRUCTURES.

SUPERINTENDENCE.

This account shall include:

PAY OF OFFICERS.—The pay of officers directly in charge of or engaged in the maintenance of roadway and structures.

Expenses of this class must be charged to Account No.... 201a
(See Note A, which follows.)

PARTIAL LIST OF OFFICERS.

Vice-president.	Assistant engineers.	Building inspector.
Assistant vice-president.	Architect.	Inspector of roadway
General manager.	Roadmaster.	stores.
Assistant general manager.	Assistant roadmaster.	Supervisor.
General superintendent.	Master carpenter.	<i>Supervisor of track.</i>
Assistant general superintendent.	Assistant master carpenter.	<i>Supervisor of bridges and buildings.</i>
Chief engineer.	Master mason.	Assistant supervisor.
Engineer.	Superintendent of roadway structures.	Fire chief.
Division engineer.	Superintendent of scales.	Fire inspector.
Bridge engineer.	Inspector of maintenance.	Sanitary inspector.
Chief signal engineer.		

PAY OF CLERKS AND ATTENDANTS.—The pay of clerks and other employees in the offices and on the business cars of officers whose pay is chargeable to this account.

Expenses of this class must be charged to Account No.... 201b

PARTIAL LIST OF EMPLOYEES.

Chief clerk.	Levelmen.	Messengers.
Draftsmen.	Rodmen.	Cooks.
Clerks.	Chainmen.	Porters.
Stenographers.	Axmen.	
Transitmen.	Janitors.	

OFFICE AND OTHER EXPENSES.—Office expenses and other expenses of officers and employees whose pay is chargeable to this account; also amounts paid detective agencies and others for investigations in connection with maintenance of way and structures.

Expenses of this class must be charged to Account No. . . . 201

PARTIAL ITEMS OF EXPENSE AND SUPPLIES.

Atlases and maps.	Lighting.	Repairs of rented of-
Books for office use.	Official train service.	fices.
Business car service.	Periodicals and news-	Telegraph service.
Fees and dues in as-	papers.	Telephone service.
sociations.	Power.	Traveling expenses.
Furniture repairs and	Provisions for busi-	Water and ice.
renewals.	ness cars.	
Heating.	Rent of offices.	

SUPPLIES FOR TECHNICAL ASSISTANTS.

Barometers.	Magnifiers.	Slide rules.
Books and maps.	Marking chalk.	Stakes.
Boxes for materials	Oilstones.	Straightedges.
and instruments.	Paper, blue-print.	Tally registers.
Cameras.	Parallel rules.	Tape lines.
Camp equipage.	Photographic supplies.	Tee-squares.
Chains for surveyors.	Plane tables.	Telescopes.
Compasses.	Planimeters.	Thermometers.
Curves.	Plummets.	Thumb tacks.
Drafting boards.	Protractors.	Tracing linens.
Drafting instruments.	Ranging poles.	Transits.
Field glasses.	Reading glasses.	Traverse tables.
Field notebooks.	Rods for surveyors.	Triangles.
Hatchets.	Scales.	Tripods.
Levels.	Section liners.	Verniers.
Magnets.	Sextants.	

NOTE A.—When employees designated above are engaged on construction or other work not chargeable to Maintenance of Way and

Structures, their pay and expenses while thus employed shall be charged to the specific work on which engaged.

NOTE B.—When officers designated above have supervision over more than one department, their salaries, the pay of their clerks and attendants, and their office and other expenses shall be apportioned equally among the departments over which they have supervision.

NOTE C.—No part of the pay and expenses of the officers and employees designated above shall be charged to other primary accounts under Maintenance of Way and Structures.

NOTE D.—The cost of stationery for maintenance of way and structures offices is chargeable to account No. 276, "Stationery and printing."

ROADWAY MAINTENANCE.

This account shall include:

CARE OF ROADBED.—The cost of repairing roadbed.

SOME OF THE ITEMS OF ROADWAY EXPENSE.

Blasting rocks.	Oiling roadbed.
Building temporary tracks around slides and washouts.	Removing temporary tracks around slides and washouts.
Constructing and cleaning tile ditches, open ditches, and drains.	Repairing roadbed damaged by washouts.
Crowning track ties with retaining earth.	Removing dangerous rocks.
Filling borrow and cattle pits.	Removing slides.
Keeping tracks clear and repairing subgrade in case of washouts.	Restoring roadbed, cuts, fills, and embankments to standard width.
Landscape gardening along roadway.	Sloping cuts.
	Sodding roadway.

NOTE A.—The cost of drains or sewers laid under tracks shall be included in account No. 208, "Bridges, trestles, and culverts." The cost of landscape gardening within the limits of the grounds around buildings shall be included in the appropriate repair accounts for buildings.

GENERAL CLEANING.—The cost of cutting, removing, and disposing of brush, grass, and weeds from the right of way; plowing and digging fireguards; dressing ballast and cutting sod lines; removing miscellaneous scrap, drift, cinders, dirt, and other material from right of way and from road and terminal tracks (including tracks at stations, engine yards, and car yards); and cleaning streets used as roadways.

NOTE B.—Loading ashes at engine-yard tracks shall be charged to the engine-house expense accounts.

WATCHING ROADWAY.—The cost of extinguishing fires on right of way and adjacent thereto, and of walking, watching, and patrolling tracks and right of way.

NOTE C.—The cost of watching and patrolling bridges, buildings, and miscellaneous property is provided for in accounts specifically relating to such property.

BANK PROTECTION.—Cost of protecting banks by repairing retaining walls, riprap, piling, piers, dikes, breakwaters, and revetments, and by changing the channels of streams to prevent cutting, washing, and sliding of embankments.

TRAIN SERVICE.—The cost of work-train service in connection with work pertaining to roadway maintenance.

TRACK CHANGES.—The cost of roadway work in connection with taking up and relocating tracks.

OTHER EXPENSES.—The cost of roadway work not provided for elsewhere, such as official roadway inspection train service and premiums in connection with roadway maintenance.

NOTE D.—Tools and supplies used by repair men and watchmen in roadway maintenance service shall be charged to account No. 271, "Small tools and supplies."

Expenses of these classes must be charged to Account No. . .

UNDERGROUND POWER TUBES.

This account shall include the cost of repairing power tubes or conduits for underground contacts of electric railways or for underground cables of cable traction railways.

Expenses of this class must be charged to Account No. . . .

SOME OF THE DETAILS OF UNDERGROUND CONTACT CONSTRUCTION.

Concrete work.	Manhole frames.	Slot rails.
Drain pipes.	Pulleys.	Yokes.
Manhole covers.	Sheaves.	

NOTE.—The cost of replacing track rails, other track material, electric contact rails, and insulators shall be charged to the accounts provided for such expenses and not to this account.

TUNNELS AND SUBWAYS.

This account shall include the cost of repairing, ventilating, lighting, and watching tunnels and subways for the passage of

trains, and the cost of special tools and supplies furnished in connection with the work.

NOTE.—The cost of repairs to signals and to roadway and tracks in tunnels shall be charged to the appropriate maintenance of way accounts and not to this account.

Expenses of this class must be charged to Account No. . . . 206

BRIDGES, TRESTLES, AND CULVERTS.

This account shall include the cost of repairing (including fuel and supplies used) and watching bridges, trestles, and culverts, including altering and bracing during process of filling, removing old structures in connection with the construction of new structures, dredging and cleaning water channels for protection, and cleaning culverts.

The bridges, trestles, and culverts referred to in this account include only structures which carry the carrier's own tracks.

Expenses of this class must be charged to Account No. . . . 208

SOME OF THE DETAILS OF BRIDGE STRUCTURES.

Abutments.	Guard timbers.
Bridge signs.	Ice breakers.
Cofferdams.	Painting.
Concrete and masonry ends for culverts.	Pier protection.
Cribs.	Piers and foundations.
Decking, including gravel for fire protection.	Pipe culverts.
Dike protection.	Retaining walls.
Drainage systems.	Riprap around abutments.
Draw protection.	Riprap at culvert ends.
Drawbridge engines and machinery.	Supports.
False work.	Water channels.
	Waterproofing.
	Wing dams.
	Wing walls.

NOTE.—When a part or the entire structure of a bridge or trestle is converted, by filling, into an earth embankment, the ledger value of the structure, or of the portion thereof filled, shall be credited to road and equipment account No. 6, "Bridges, trestles, and culverts." In case the bridge is used in lieu of a temporary trestle for the purpose of filling, the estimated cost of such a temporary trestle shall be charged to road and equipment account No. 3, "Grading." The ledger value of the structure, or portion thereof, filled, less the value of the salvage and the

estimated cost of trestle charged to road and equipment account No. 3, "Grading," shall be charged to this account.

Road and Equipment account No. 6, "Bridges, trestles, and culverts," Note A, provides as follows: When a part or the entire structure of a bridge or trestle is converted, by filling, into an earth embankment, the ledger value of the structure, or of the portion thereof filled, shall be credited to Road and Equipment account No. 6. In case the bridge or trestle is used in lieu of a temporary trestle for the purpose of filling, the estimated cost of such temporary trestle shall be charged to Road and Equipment account No. 3, "Grading." The ledger value of the structure, or portion thereof, filled, less the value of the salvage and the estimated cost of the trestle charged to Road and Equipment account No. 3, shall be charged to Operating Expenses.

ELEVATED STRUCTURES.

This account shall include the cost of repairing elevated structures and foundations of elevated railway systems.

Expenses of this class must be charged to Account No.... 210

TIES.

This account shall include the cost of cross, switch, bridge, and other track ties used in the repairs of tracks.

Expenses of this class must be charged to Account No.... 212

NOTE A.—The cost of labor for unloading, distributing, and putting ties in tracks, the cost of work-train service in connection with the distribution of the ties laid, and the cost of picking up and concentrating or disposing of the ties released shall be charged to account No. 220, "Track laying and surfacing."

NOTE B.—The excess cost of metal ties applied in place of wooden ties over the cost at current prices of replacing in kind the wooden ties removed shall be charged to road and equipment account No. 8, "Ties."

NOTE C.—The cost of ties used for repairs of tracks in quarries and ballast pits shall be included in the appropriate clearing accounts, and of ties used for repairs of tracks on car floats in account No. 323, "Floating equipment—Repairs."

RAILS.

This account shall include the cost (less salvage) of rails used in the repairs of tracks; also the difference between the

cost (at current prices at time of removal) of heavy rails removed and the cost of lighter rails applied in repairs of tracks.

Expenses of this class must be charged to Account No. . . . 214

NOTE A.—The cost of labor for unloading, distributing, and putting rails in tracks, the cost of work-train service in connection with the distribution of the rails laid, and the cost of picking up and concentrating the rails released shall be charged to account No. 220, "Track laying and surfacing."

NOTE B.—The excess cost of heavier rails or rails of improved quality or type applied in repairs of tracks over the cost, at current prices, of rails of the weight and type or quality released shall be charged to road and equipment account No. 9, "Rails."

NOTE C.—The cost of rails used for repairs of tracks in quarries and ballast pits shall be included in the appropriate clearing accounts, and of rails used for repairs of tracks on car floats to account No. 323, "Floating equipment—Repairs."

OTHER TRACK MATERIAL.

This account shall include the cost (less salvage) of all track material used in the repairs of tracks, other than ballast, ties, and rails.

Expenses of this class must be charged to Account No. . . . 216

SOME ITEMS OF OTHER TRACK MATERIAL.

Angle bars.	Nuts.	Switch locks and
Anticreepers.	Offset bars.	keys.
Connecting rods.	Rail braces.	Switch points.
Derails.	Rail chairs.	Switch stands.
Frog and guard-rail	Rail clips.	Switch-stand bolts.
blocking.	Rail joints.	Switch targets.
Frogs.	Rail rests.	Switches.
Guard-rail clamps.	Rail shims.	Tie plates.
Guard-rail fasteners.	Rail splices.	Tie plugs.
Guard rails at frogs,	Splice bars.	Tie-rods.
on bridges, trestles,	Step chairs.	Track bolts.
and curves.	Switch chairs.	Track insulators.
Main rods.	Switch crossings.	Track spikes.
Nut locks.	Switch lamps.	

NOTE A.—The cost of labor and train service for distributing, unloading, and applying "other track material" used, and the cost of picking up and concentrating the material released shall be charged to account No. 220, "Track laying and surfacing."

NOTE B.—The excess cost of improved or heavier track material ap-

plied for repairs of tracks, under a definite plan of changing standards, over the cost, at current prices, of material of the same weight and quality as that released, shall be charged to road and equipment account No. 10, "Other track material."

NOTE C.—The cost of "other track material" used for repairs of tracks in quarries and ballast pits shall be included in the appropriate clearing accounts, and of such track material used for repairs of tracks on car floats in account No. 323, "Floating equipment—Repairs."

BALLAST.

This account shall include the cost of gravel, stone, slag, cinders, sand, and like ballast material used in the repairs of tracks, including the cost of work-train service and of unloading the material. (See special instructions, section II of this classification.)

When the ballast taken from a pit is not sufficient to justify the opening of a clearing account, the cost of gravel and quarry rights and cost of sinking test holes shall be included in this account.

Expenses of this class must be charged to Account No. . . .

21

NOTE A.—The cost of loading cinders at ash pits shall be charged to account No. 388, "Enginehouse expenses—Yard," or to account No. 400, "Enginehouse expenses—Train." No charge to cover the value of cinders accumulated by the carrier shall be included in this account.

NOTE B.—The cost of labor putting ballast in tracks shall be included in account No. 220, "Track laying and surfacing."

NOTE C.—The excess cost of ballasting tracks over the cost of replacing in kind to its maximum height and width the ballast previously put in the roadbed shall be charged to road and equipment account No. 11, "Ballast."

NOTE D.—Earth placed to form a crown over the middle of the track is not to be considered as ballast.

NOTE E.—The cost of ballast used for repairs of temporary tracks, such as gravel pit or quarry tracks, shall be included in the appropriate clearing accounts.

Road and equipment account No. 11, "Ballast," provides as follows: Cost of ballast applied in excess of ballast required to restore to its maximum height and width the ballast previously put on the roadbed; and the excess cost of improved ballast used in renewals over the cost to replace in kind to the original height and width the ballast removed, shall be charged thereto.

TRACK LAYING AND SURFACING.

This account shall include:

APPLYING BALLAST.—The cost of labor expended in preparing the roadbed, and applying ballast for repairs of tracks.

APPLYING TIES.—The cost of labor expended in unloading, distributing, and applying ties for repairs of tracks; in gathering up and disposing of the ties released; and in respacing ties.

APPLYING RAILS.—The cost of labor expended in unloading, distributing, cutting, slotting, drilling, adzing for, and laying rails for repairs of tracks; in gathering up and loading rails released; and in adjusting for expansion and contraction of rails.

APPLYING OTHER TRACK MATERIAL.—The cost of labor expended in unloading, distributing, and applying other track material for repairs of tracks; and the cost of gathering up and loading the material released.

TRACK MAINTENANCE.—The cost of labor expended in aligning, surfacing, gauging, and shimming tracks; in tightening track bolts and track spikes; in restoring rails, ties, and ballast in case of washouts, derailments, and wrecks; and in taking up tracks.

TRAIN SERVICE.—The cost of work-train service (except work trains distributing ballast material) in connection with work pertaining to track laying and surfacing.

TRACK CHANGES.—The cost of track work (exclusive of the cost of track material) in taking up and relocating tracks.

OTHER EXPENSES.—The cost of track laying and surfacing work not provided for elsewhere, and expenses, such as repairing and replacing rail rests, official track inspection train service, and premiums in connection with track repairs.

Expenses of this class must be charged to Account No. . . . 220

NOTE.—Tools and supplies used by track repair men and watchmen shall be charged to account No. 271, "Small tools and supplies."

RIGHT-OF-WAY FENCES.

This account shall include the cost of repairing right-of-way fences (including permanent snow and sand fences in lieu of ordinary right-of-way fences), farm gates, cattle guards, wing fences, aprons, and hedges, except those around stock-yards, fuel stations, station and shop grounds, and building sites.

Expenses of this class must be charged to Account No. . . . 221

SNOW AND SAND FENCES AND SNOWSHEDS.

This account shall include the cost of repairing permanent and portable snow and sand fences and snowsheds for the protection of tracks from snow and sand, including rent of land for placing snow and sand fences.

Expenses of this class must be charged to Account No. . . . 223

NOTE A.—The cost of repairing permanent snow and sand fences which take the place of right-of-way fences shall be included in account No. 221, "Right-of-way fences."

NOTE B.—The cost of setting up, taking down, and storing portable snow and sand fences shall be included in account No. 272, "Removing snow, ice, and sand."

CROSSINGS AND SIGNS.

This account shall include the cost of repairing farm passes, highway crossings, and crossings of other railways crossing the carrier's right of way, except railways crossing at grade; also cost of repairing track signs.

Expenses of this class must be charged to Account No. . . . 225

SOME OF THE DETAILS OF GRADE CROSSINGS.

Batteries, with track instruments and connections, including battery renewals.	Planking.
Crossing gates.	Soil crossing drains.
Crossing signal bells.	Watch houses at crossings.
Hose for sprinkling grade crossings.	Warning signals.
Paving.	Water for sprinkling grade crossings.
	Water pipes.

SOME OF THE DETAILS OF OVERGRADE CROSSINGS.

Bridge substructures.	Drainage systems.
Bridge superstructures.	Piers, including foundations.
Decking, including roadways.	Retaining and wing walls, including foundations.

SOME OF THE DETAILS OF UNDERGRADE CROSSINGS.

Drainage systems.	Roadways and sidewalks.
Retaining walls, outside of bridge abutments.	Curbing.

LIST OF SOME OF THE SIGNS.

Boundary signs.	Section signs.
Curve monuments.	Slow or stop signs.
Elevation monuments.	Subdivision boards.
Joint account signs.	Tunnel caution signs.
Maintenance limit signs.	Water-station signs.
Mile signs.	Water-trough signs.
Monument stones.	Whistle signs.
Overhead-bridge caution signs.	Yard-limit signs.

NOTE A.—The cost of repairing shop and station overgrade foot-bridges and subways not public highways shall be included in repairs of such buildings.

NOTE B.—The cost of repairing a bridge or other structure which carries the track of another carrier over the accounting carrier's tracks shall be included in this account. The cost of repairing bridges or trestles, carrying the carrier's tracks over roads, highways, or other railways, shall be charged to account No. 208, "Bridges, trestles, and culverts."

NOTE C.—The cost of repairing bridge signs shall be included in account No. 208, "Bridges, trestles, and culverts."

STATION AND OFFICE BUILDINGS.

This account shall include the cost of repairing station and office buildings, fixtures, and appurtenances (including those for heating and lighting), used by the carrier in its operations; also the cost of maintaining grounds appurtenant to such buildings.

Expenses of this class must be charged to Account No. . . . 227

PARTIAL LIST OF STATION AND OFFICE STRUCTURES AND DETAILS.

Baggage rooms.	Drainage and sewer	Freight cranes.
Breakwaters for protection of buildings.	systems.	Freight derricks.
Buildings and rooms for trainmen.	Dwellings (<i>except for roadway employees</i>).	Freight handling machinery.
Buildings on piers.	Eating houses.	Freight houses.
Call bells.	Electric wiring.	Garages.
Coal bins.	Elevators and machinery.	Gas-supply systems.
Coal-transfer machinery (not on coal and ore wharves).	Express buildings.	General office buildings.
Coal trestles (not at fuel stations).	Fences.	Grain cribs.
Commissarial buildings.	Fire-engine houses.	Grain elevators.
	<i>Fire extinguishers (permanent).</i>	Grain warehouses.
	<i>Fire hydrants and pipe lines.</i>	Greenhouses.
		Hay houses.
		Heating plant.

Hedges.	<i>Pipe lines, car heating, at stations.</i>	Station platforms.
Hoisting engines, for handling freight.	Platforms, freight.	Station signs.
<i>Hose, fire, and fixtures.</i>	Platforms, passenger, including planking between tracks.	Station stairways.
Hose houses.	Power distribution systems, interior.	Station subways (not highway crossings).
<i>Hose reels.</i>	Reading rooms.	Station power houses.
Ice houses.	Rooms for Y. M. C. A.	Stations, freight.
Lighting plant.	Scale houses.	Stations, passenger.
Mail cranes.	Sidewalks.	Stock pens.
Milk stands.	<i>Sprinkler systems (fire protection).</i>	Storehouses.
Office buildings.	Stables.	Telegraph offices.
Ore transferring machinery (not on coal and ore wharves).	Station footbridges (not highway crossings).	Telpher systems.
Outhouses.	Station intertrack fences.	Track scales.
Pavement in ground limits.		Transfer houses.
<i>Payments for municipal fire protection.</i>		Transfer platforms.
		Waiting rooms.
		Warehouses.
		Washrooms.
		Water-supply systems.

NOTE.—Incidental cleaning, including the cost of cleaning snow from roofs, when done by station or office employees, shall not be included in this account.

ROADWAY BUILDINGS.

This account shall include the cost of repairing roadway shops and other roadway buildings, including drainage, water, gas, and sewer pipes and their connections, machinery and other apparatus, fixtures, and furniture in the buildings; also the cost of maintaining the grounds appurtenant to such buildings.

Expenses of this class must be charged to Account No.... 229

PARTIAL LIST OF ROADWAY STRUCTURES.

Bins for material.	Hand-car houses.	Stables.
Blacksmith shops.	Lumber sheds.	Storehouses.
Boarding houses.	Offices.	Tool houses.
Breakwaters for protection of buildings.	Outhouses.	Watch houses.
Carpenter shops.	Planing mills.	<i>Wells at section houses.</i>
Dwellings for roadway employees.	Rail shops used solely for repairs of track material.	
Fire-engine houses.	Repair shops.	
Frog shops used solely for repairs of track material.	Scrap bins.	
	Section dwelling houses.	

NOTE A.—The cost of repairing signal and interlocker buildings and their appurtenances shall be included in account No. 249, "Signals and interlockers."

NOTE B.—Incidental cleaning, including the cost of cleaning snow from roofs, when done by employees regularly working in the buildings, shall not be included in this account.

WATER STATIONS.

This account shall include the cost of repairing water stations, fixtures, and appurtenances used by the carrier in its operations, and the cost of maintaining the grounds appurtenant to such stations.

Expenses of this class must be charged to Account No. . . . 231

PARTIAL LIST OF WATER STATION STRUCTURES AND DETAILS.

Boilers.	Pump houses.	Track tanks.
Breakwaters for protection of buildings.	Pumps.	Tubs.
Buildings on piers.	Purifying plants.	Water cranes.
Cisterns.	Reservoirs.	Water-pipe lines.
Dams.	Settling basins.	Water-treating plants.
Fences.	Stationary engines.	Wells.
Outhouses.	Steam pipes.	Windmills.
Penstocks.	Tanks and foundations.	

NOTE.—Incidental cleaning, including the cost of cleaning snow from roofs, when done by water station employees, shall not be included in this account.

FUEL STATIONS.

This account shall include the cost of repairing fuel stations, fixtures, and appurtenances used by the carrier in its operations, and the cost of maintaining the grounds appurtenant to such stations.

Expenses of this class must be charged to Account No. . . . 233

PARTIAL LIST OF FUEL STATION STRUCTURES AND DETAILS.

Breakwaters for protection of buildings.	Coal pockets and chutes.	Fire hose and fixtures.
Buckets.	Dumping machinery.	Fuel houses.
Buildings on piers.	Elevating machinery.	Fuel-oil columns.
Coal buggies.	Fences.	Fuel-oil plants.
Coal hoists and foundations.	Fire hydrants and pipe lines.	Fuel-oil pumps.
		Fuel-oil sumps.
		Fuel-oil tanks.

Fuel platforms.	<i>Locomotive cranes at</i>	Sheds.
<i>Fuel storage pits.</i>	<i>fuel stations.</i>	Stationary engines.
Fuel wharves.	Outhouses.	Tipple cars.
Inclines.	Scales.	Weighing apparatus.
		Wood racks.

NOTE.—Incidental cleaning, including the cost of cleaning snow from roofs, when done by fuel station employees, shall not be included in this account.

SHOPS AND ENGINEHOUSES.

This account shall include the cost of repairing shop and enginehouse buildings, fixtures, and appurtenances used by the carrier in repairing and preparing equipment, and the cost of maintaining the grounds appurtenant to such buildings.

Expenses of this class must be charged to Account No. . . .

235

SOME OF THE SHOP AND ENGINEHOUSE STRUCTURES AND DETAILS.

Air-compressor houses.	Footbridges (not public highways).	Planing mills.
Ash pits and pockets.	Foundries.	Platforms, shop and yard.
Ash plants.	Gas-compressor houses.	Repair shops.
Bins for material.	Heating plants.	Sand houses.
Blacksmith shops.	<i>Heating and ventilating systems.</i>	Scale houses.
Breakwaters for protection of buildings.	<i>Hose, fire, and fixtures.</i>	Scrap bins.
Buildings on piers.	Hose houses.	Sidewalks.
Car sheds.	Ice houses.	<i>Sprinkler systems (fire protection).</i>
Car shops.	Laboratories.	Stables.
Carpenter shops.	Lighting plants.	Steam distribution systems, interior.
Cinder pits.	Lumber sheds.	Storehouses.
Cinder pockets.	Machine shops.	Tanks, gas.
<i>Cinder handling devices.</i>	Material and supply truck tracks.	Tanks, oil.
Drop pits.	Motor-crane tracks.	Test rooms.
Dry houses.	Offices, shop.	Tin shops.
Electric-power distribution systems within buildings.	Oil houses.	Tool houses.
Enginehouses.	Outhouses.	Track scales.
Fire-engine houses.	Paint shops.	Transfer tables.
<i>Fire extinguishers (permanent).</i>	<i>Payments for municipal fire protection.</i>	Turntables.
<i>Fire hydrants and pipe lines.</i>	Pipe lines, air, interior.	Upholstering shops.
	Pipe lines, car-heating.	Warehouses.
	Pipe lines, gas, interior.	Wash rooms.
		Watch houses.

NOTE A.—The cost of repairing machinery and other apparatus, including special foundations, in shops for maintenance of equipment shall be included in account No. 302, "Shop machinery."

NOTE B.—Incidental cleaning, including the cost of cleaning snow from roofs, when done by shop employees, shall not be included in this account.

GRAIN ELEVATORS.

This account shall include the cost of repairing structures for the transfer, treatment, and storage of grain, including conveyors, machinery and fixtures; also the cost of maintaining the grounds appurtenant to such buildings.

The buildings referred to in this account are large elevators in which a regular grain business is handled or grain is stored for various owners.

Expenses of this class must be charged to Account No. . . . **237**

NOTE A.—Small storage elevators at way stations, where the freight is received for shipment, etc., are classed as station buildings.

NOTE B.—Incidental cleaning, including the cost of cleaning snow from roofs, when done by grain elevator employees, shall not be included in this account.

STORAGE WAREHOUSES.

This account shall include the cost of repairing storage warehouses, including machinery and fixtures therein; also the cost of maintaining the grounds appurtenant to such warehouses.

The buildings referred to herein are not the ordinary freight warehouses or stations where freight is received for shipment, etc., but are warehouses in which merchandise is stored and which the carrier operates as storage warehouses.

Expenses of this class must be charged to Account No. . . . **239**

NOTE.—Incidental cleaning, including the cost of cleaning snow from roofs, when done by storage warehouse employees, shall not be included in this account.

WHARVES AND DOCKS.

This account shall include the cost of repairing wharves located at marine, lake, or river docks; dredging waterways to approaches and around such structures, including removal of dredged-out material; and cutting ice in and around docks and

wharves to prevent damage; also cost of repairs of cribwork, racks, or caissons for preserving the depth of water in docks; and cost of repairs of guards, piling, and other protection against damage by drift or ice.

Expenses of this class must be charged to Account No.... 241

SOME OF THE DETAILS OF WHARVES AND DOCKS.

Bridge pontoons.	Ferry-bridge machin-	Jetties and inclines.
Bulkheads.	ery.	Transfer-bridge ma-
Caissons.	Ferry bridges.	chinery.
Cribwork.	Ferry racks.	Transfer bridges.
Dry docks.	Ferry slips.	

NOTE A.—The cost of repairing buildings, tracks, and machinery (not bridge machinery) on wharves and piers shall be charged to the appropriate expense accounts.

NOTE B.—The cost of repairing coal and ore wharves shall be charged to account No. 243, "Coal and ore wharves."

NOTE C.—Incidental cleaning, when done by regular wharf employees, shall not be included in this account.

COAL AND ORE WHARVES.

This account shall include the cost of repairing wharves and docks, including the cost of repairing conveyors, machinery, and fixtures for the transfer, treatment, blending, or storage of coal or ore.

Expenses of this class must be charged to Account No.... 243

NOTE A.—The structures referred to in this account do not include small transfer or storage trestles at stations where coal is stored or delivered, such trestles being classed as station buildings.

NOTE B.—Incidental cleaning, including the cost of cleaning snow from roofs, when done by coal and ore wharf employees, shall not be included in this account.

GAS PRODUCING PLANTS.

This account shall include the cost of repairing gas producing and gas compressing plants, including the machinery and appliances in such plants; also the cost of maintaining the grounds appurtenant to such plants.

Expenses of this class must be charged to Account No.... 245

NOTE.—Incidental cleaning, including the cost of cleaning snow from roofs, when done by employees of the gas producing plant, shall not be included in this account.

TELEGRAPH AND TELEPHONE LINES.

This account shall include :

TELEGRAPH.—The cost of repairs of telegraph outside plant and terminal equipment for which the carrier is responsible, including the cost of work-train service and of special tools provided for the work.

TELEPHONE.—The cost of repairs of telephone outside plant and terminal equipment for which the carrier is responsible, including the cost of work-train service and of special tools provided for the work.

Expenses of this class must be charged to Account No. . . .

247

SOME OF THE DETAILS OF TELEGRAPH AND TELEPHONE TERMINAL EQUIPMENT.

Batteries.	Fuses and mechanical protectors.
Cables and wires, interior.	Rectifiers.
Conduits, interior.	Rheostats.
Connecting wires.	Sending and receiving instru-
Current-controlling instruments.	ments.
Electric generators and motors.	Switchboards.
Electric meters.	Testing outfits.
Engines, stationary.	Transformers.

SOME OF THE DETAILS OF TELEGRAPH AND TELEPHONE OUTSIDE PLANT.

Aerial attachments.	Guy wires.
Braces.	Insulators.
Brackets.	Poles.
Cable boxes and appurtenances.	Submarine cables and connections.
Cables and wires, aerial.	Telephone pole boxes.
Conduits and appurtenances.	Towers.
Cross arms.	Underground cables and connec-
Guy stubs.	tions.

NOTE.—The salaries, rent, other office expenses, and traveling expenses of superintendents of telegraph and telephone, their assistants, clerks, and attendants, when engaged both in maintaining and operating telegraph and telephone lines, shall be apportioned equally between this account and account No. 407, "Telegraph and telephone operation."

SIGNALS AND INTERLOCKERS.

This account shall include the cost of repairing *and maintaining* signals and interlockers governing the movement of trains, including salaries, rent, and other office expenses, and the traveling expenses of division signal engineers, signal supervisors, their assistants, clerks, and attendants; also the cost of special tools furnished for such work.

Expenses of this class must be charged to Account No. . . .

249

SOME OF THE DETAILS OF SIGNALS AND INTERLOCKERS.

Air compressors.	Semaphores.
Batteries.	Signal and switch levers.
Boilers.	Signal arms.
Distant signals.	Signal blades.
Dynamos.	Signal bridges.
Engines, stationary.	Signal buildings.
Gates at crossings of other rail-roads.	Signal lamp brackets and connections.
Home signals.	Signal lamps.
Interlocker buildings.	Signal machinery.
Interlocker machinery.	Signal poles and foundations.
Interlocker mechanism.	Signal pulleys and foundations.
Levers.	Special appliances.
Power transmission lines.	Station signals.
Rail bonds.	Train-order signals.
Railway-crossing signals.	Wiring.
Relays.	

NOTE.—The cost of repairing track material, such as switches, special track fastenings, split rails, and frogs used in connection with interlockers, shall be charged to account No. 216, "Other track material."

POWER PLANT DAMS, CANALS, AND PIPE LINES.

This account shall include the cost of repairing dams, canals, and pipe lines and accessories devoted to the utilization of water power for the operation of trains and cars, and to furnish power, heat, and light for general purposes.

Expenses of this class must be charged to Account No. . . .

251

SOME OF THE DETAILS OF DAMS, CANALS, AND PIPE LINES.

Aqueducts.	Gates.	Roadways.
Bridges.	Girds.	Sluices.
Fences.	Inlet valves.	Valves.
Footbridges.	Penstocks.	Viaducts.
Fore bays.	Reservoirs.	Walls.

POWER PLANT BUILDINGS.

This account shall include the cost of repairing the buildings of power plants which furnish power for the operation of trains and cars, and furnish power, heat, and light for general purposes, including distinct power plant buildings at shops; drainage, water, and sewer pipes and their connections; miscellaneous furniture and fixtures; and the cost of maintaining the grounds appurtenant to such buildings.

Expenses of this class must be charged to Account No. . . . 253

NOTE A.—The cost of repairing machinery and other apparatus in general power plants shall be included in account No. 304, "Power plant machinery."

NOTE B.—Incidental cleaning, including the cost of cleaning snow from roofs, when done by power plant employees, shall not be included in this account.

POWER SUBSTATION BUILDINGS.

This account shall include the cost of repairing buildings of power substations; including storage-battery stations, used to transform power for the operation of trains and cars, and to furnish power, heat, and light for general purposes; drainage, water, and sewer pipes and their connections; fixtures, including wiring for lighting and heating; and miscellaneous furniture and fixtures; also the cost of maintaining the grounds appurtenant to such buildings.

Expenses of this class must be charged to Account No. . . . 255

NOTE A.—The cost of repairing substation apparatus for transforming or storing power in power substations shall be included in account No. 306, "Power substation apparatus."

NOTE B.—Incidental cleaning, including the cost of cleaning snow from roofs, when done by substation employees, shall not be included in this account.

POWER TRANSMISSION SYSTEMS.

This account shall include the cost of repairing systems for transmitting high-tension power from power houses to the point where transformed for use, including the cost of work-train service and special tools furnished for such work.

Expenses of this class must be charged to Account No. . . . 257

SOME OF THE DETAILS OF POWER TRANSMISSION SYSTEMS.

Cables.	Span wires.
Cut-outs (not at power houses and substations).	Switchboards (not at power houses and substations).
Feed wires.	Transformers (not at power houses and substations).
Guard wires.	
Insulators and connections.	

NOTE A.—The cost of repairing track material, such as insulated rail splices used in connection with transmission system, shall be charged to account No. 216, "Other track material."

NOTE B.—When the electric current generated or received is changed by means of (a) rotary converters, (b) motor generator sets, or (c) static transformers (substation apparatus), that portion of the line or outside conductor system carrying current other than the operating kind or voltage shall be classed as transmission system. When the electric current is generated or received and used substantially unchanged in voltage and kind, the line or outside conductor system, including any feeders, trolley wires, booster circuits, and supplementary return, shall be classed wholly as distribution system. Tie lines between generating stations and substations should follow the same rule as other lines.

POWER DISTRIBUTION SYSTEMS.

This account shall include the cost of repairing electric distribution systems, whether overhead, surface, or underground, for conveying low-tension power for propelling trains and cars, and for power, heat, light, and general purposes.

Expenses of this class must be charged to Account No. . . .

259

SOME OF THE DETAILS OF POWER DISTRIBUTION SYSTEMS.

Compressed-air pipe lines.	Rail insulating devices.
Cut-outs (not at power houses and substations).	Span wires.
Feed wires.	Steam pipe lines.
Guard wires.	Switchboards (not at power houses and substations).
Insulators and connections.	Third rail.
Overhead trolley wires.	Third-rail braces.
Rail bond plugs.	Third-rail insulation and protection.
Rail bonds.	Third-rail supports.

NOTE A.—The cost of repairing and replacing track material, such as insulated rail splices, used in connection with electric distribution systems, shall be charged to account No. 216, "Other track material."

NOTE B.—The cost of repairing that portion of distribution systems located in shop buildings and station and office buildings shall be included in the cost of repairing the buildings. The cost of repairing distribution systems in plants used exclusively for operating signals and interlockers shall be included in account No. 249, "Signals and interlockers."

NOTE C.—When the electric current generated or received is changed by means of (a) rotary converters, (b) motor generator sets, or (c) static transformers (substation apparatus), that portion of the line or outside conductor system carrying current other than the operating kind or voltage shall be classed as transmission system. When the electric current is generated or received and used substantially unchanged in voltage and kind, the line or outside conductor system, including any feeders, trolley wires, booster circuits, and supplementary return, shall be classed wholly as distribution system. Tie lines between generating stations and substations should follow the same rule as other lines.

POWER LINE POLES AND FIXTURES.

This account shall include the cost of repairing and replacing electric line poles, cross arms, and insulating pins; brackets and other pole fixtures; and braces and other supports for holding poles in position; also the cost of repairing structures primarily for supporting the overhead electric construction.

Expenses of this class must be charged to Account No.... 261

UNDERGROUND CONDUITS.

This account shall include the cost of repairing conduits required for underground electric wires and cables of electric railway construction, including manholes, sewer connections, sewer traps, and all other material necessary for the maintenance of the conduit system.

Expenses of this class must be charged to Account No.... 263

MISCELLANEOUS STRUCTURES.

This account shall include the cost of repairing permanent structures, not provided for elsewhere, including the cost of repairing all furniture and fixtures to equip them for use. It shall also include the cost of maintenance of the grounds appurtenant to such structures.

Expenses of this class must be charged to Account No.... 265

NOTE A.—When separable the cost of maintaining structures which are rented to other companies or individuals shall be charged to the income account in which is included the rent received for use of the structures.

NOTE B.—Incidental cleaning, including the cost of cleaning snow from roofs, when done by employees regularly working in miscellaneous buildings, shall not be included in this account.

PAVING.

This account shall include the cost of repairing paving about tracks in public highways and streets through which the carrier's tracks are laid.

Expenses of this class must be charged to Account No. . . . 267

NOTE.—The cost of repairing paving upon the carrier's lands, within the grounds of buildings or other structures, shall be included in the accounts provided for the repairs of the structures, and the cost of repairing paving upon the carrier's right of way at crossings to account No. 225, "Crossings and signs."

ROADWAY MACHINES.

This account shall include the cost of repairing roadway machines which are used for the repairs of roadway and structures.

Expenses of this class must be charged to Account No. . . . 269

PARTIAL LIST OF ROADWAY MACHINES.

Boilers, portable.	Grading outfits.
Cars, hand.	Hydraulic outfits.
Cars, lever.	Jacks, hydraulic.
Cars, motor inspection.	Log loaders.
Cars, push.	Pile drivers.
Cars (small), crane, for supply yards and general use.	Plows, unloading.
Concrete mixers.	Rail unloaders.
Ditching machines.	Rock crushers.
Dredging machines.	Steam rollers.
Engines, portable.	Timber trucks.
	Velocipedes.

NOTE A.—The cost of repairing machines in the maintenance of equipment shops shall be included in account No. 302, "Shop machinery," as provided for therein.

NOTE B.—The cost of repairing roadway machines, such as pile drivers, log loaders, hoisting engines, and concrete mixers, when perma-

nently mounted for movement on carrier's tracks, shall be included in account No. 326, "Work equipment—Repairs."

SMALL TOOLS AND SUPPLIES.

This account shall include:

ROADWAY AND TRACK TOOLS.—The cost of roadway tools (except special tools provided for elsewhere), including the cost of repairing such tools.

PARTIAL LIST OF ROADWAY AND TRACK TOOLS.

Adzes.	Hammers, napping.	Rope.
Anvils.	Hammers, paving.	Saws, crosscut.
Augers.	Hammers, spiking.	Saws, hand.
Axes.	Handles for tools.	Scrap boxes.
Ballast forks.	Hatchets.	Scythes.
Bars, claw.	Hoes.	Shovels.
Bars, crow.	Jack levers.	Sickles.
Bars, lining.	Jacks, ratchet.	Sledges.
Bars, pinch.	Jacks, screw.	Spades.
Bars, raising.	Jacks, track.	Spike mauls.
Bars, tamping.	Kegs, water.	Spike pullers.
Braces and bits.	Ladders.	Spot boards.
Brooms.	Lanterns and fixtures.	Squares.
Brush hooks.	Lawn mowers.	Straightening machines.
Cable stretchers.	Levels.	Tape lines.
Cables.	Lines for ditching.	Thermometers for laying rail.
Cans, oil.	Nippers.	Tongs.
Cans, water.	Oilstones.	Tool boxes.
Cant hooks.	Padlocks.	Torches.
Chains.	Pails, water.	Track gauges.
Chisels, track.	Paint brushes.	Track levels.
Chisels, wood.	Picks, clay.	Vises.
Curbing hooks.	Picks, tamping.	Weed spuds.
Dippers.	Pike poles.	Wheelbarrows.
Drawing knives.	Post-hole diggers.	Whetstones.
Drill bits.	Post-hole tamperers.	Wood mallets.
Drills (portable).	Punches.	Wrenches, monkey.
Flags, signal.	Rail benders.	Wrenches, track.
Furnaces (portable).	Rail tongs.	
Grindstones.	Rakes.	

ROADWAY AND TRACK SUPPLIES.—The cost of supplies consumed in connection with the operation of roadway machines while used in repairs of roadway and tracks; and cost of sup-

plies used by trackwalkers, track watchmen, and roadway and track repair men.

SOME ITEMS OF ROADWAY SUPPLIES.

Alcohol for hydraulic jacks.

Fuel for heating tool and other section houses.

Fuel for portable forges used in roadway and track work.

Gasoline for motor cars.

Oatmeal and ice for drinking water used by roadway and track repair men.

Oil and waste for hand cars, lever cars, motor inspection cars, and push cars.

Oil and wicks for lanterns used by trackwalkers, track watchmen, and roadway and track repair men.

Oil and wicks for lighting tool and other section houses.

Torpedoes used by trackwalkers, track watchmen, and roadway and track repair men.

Water for section houses.

Expenses of these classes must be charged to Account No...

271

REMOVING SNOW, ICE, AND SAND.

This account shall include the cost of keeping track and roadway clear of snow, ice, and sand.

It shall include cost of preventing accumulation, such as the cost of distributing, setting up, inspecting, taking down, and regathering portable snow and sand fences; and cost of tools furnished for the purpose; also cost of storing fences.

It shall include cost of removing accumulations of snow, ice, and sand; cost of snow-plow and flanger service, and of work-train service; cost of applying and removing flangers from locomotives and cars, and of slatting pilots; cost of salt to keep switches clear; and cost of meals and lodging for men employed in removal service.

Expenses of this class must be charged to Account No....

272

ASSESSMENTS FOR PUBLIC IMPROVEMENTS.

This account shall include the carrier's proportion of the cost of repairing public improvements, such as sewers, curbs, gutters, pavement and sidewalks, including costs of such repairs made under Government regulations by the carrier's own employees.

Expenses of this class must be charged to Account No....

273

NOTE.—The cost of repairs, required by Government authority, to paving between rails and adjacent to tracks laid through public highways shall be included in account No. 267, "Paving."

INJURIES TO PERSONS.

This account shall include expenses on account of injuries to persons which occur directly in connection with the maintenance of way and structures, including injuries occurring in connection with the operation of work trains in such service, and injuries caused by defective highways within the right of way.

It shall also include expenses on account of injuries to employees incurred while demolishing structures, the maintenance of which would be chargeable to Maintenance of Way and Structures; services of employees and others called in consultation in connection with claim adjustments; pay and expenses of employees while engaged as witnesses at inquests and lawsuits; and a suitable proportion of donations made to hospitals.

Expenses of this class must be charged to Account No.... 274

SOME OF THE ITEMS OF EXPENSE.

Artificial limbs.	Hospital attendance.
Carriage fees.	Medical and surgical services.
Claim adjusters' and clerks' services.	Medical and surgical supplies.
Claim adjusters' office expenses.	Notarial fees.
Compensation for injuries or death.	Nursing.
Final judgments, including plaintiffs' court costs.	Railway transportation.
Funeral expenses.	Undertakers' services.
	Undertakers' supplies.
	Witnesses' fees and expenses at inquests and lawsuits.

NOTE A.—Expenses incident to personal injury suits, not otherwise provided for, shall be included in account No. 454, "Law expenses."

NOTE B.—Amounts donated by a carrier to hospitals shall be distributed, 25 per cent to account No. 274, "Injuries to persons"; 25 per cent to account No. 332, "Injuries to persons"; and 50 per cent to account No. 420, "Injuries to persons."

NOTE C.—The pay, office rent, office expenses, and other expenses of claim adjusters, claim clerks and others in charge of or engaged in connection with claim cases, when not assignable to a distinct class of

claims, shall be apportioned equally among the several classes of claims over which they have jurisdiction or in connection with which they are engaged.

INSURANCE.

This account shall include premiums, except reinsurance premiums, for insuring the carrier against loss through injuries to persons or damage to or destruction or loss of property, whether caused by fire, accident, or other cause, when such loss to the carrier would be chargeable to Maintenance of Way and Structures; also premiums on fidelity bonds of employees whose pay is chargeable to Maintenance of Way and Structures. (See special instructions, section 18 of *this classification*.)

Expenses of this class must be charged to Account No. . . .

275

NOTE.—The premiums paid by the carrier to its insurance fund shall be credited to an insurance reserve account, to which account shall be charged the amount of all claims for injuries to persons and damages to the property covered by its insurance. To such account shall also be charged all reinsurance premiums paid to insurance companies, and to it shall be credited all amounts recovered from insurance companies in reimbursement for losses under such reinsurance.

STATIONERY AND PRINTING.

This account shall include the cost of stationery and printing used in connection with maintenance of way and structures.

Expenses of this class must be charged to Account No. . . .

276

PARTIAL LIST OF STATIONERY AND PRINTING ITEMS.

Adding machines.	Cardboard.	Cyclostyles.
Addressographs and supplies.	Cards, blank and printed.	Dating stamps and ribbons.
Arm rests.	Circulars.	Dictaphones.
Binders.	Computing tables.	Dictographs.
Blank books.	Copy (impression) books.	Drawing paper.
Blotters.	Copying brushes.	Duplicators.
Blotting paper.	Copying presses.	Electric pens.
Bristol board.	Crayons.	Envelopes.
Calculating machines.	Cross-section books.	Erasers, rubber and steel.
Calendars.	Cross-section paper.	Eyelet punches.
Carbon paper.		

Eyelets.	Paper fasteners.	Shears.
File boxes, paper.	Paper files.	Shipping tags.
Forms, blank and printed.	Paper weights.	Shorthand notebooks.
Glass pens.	Papyrographs.	Sponge cups.
Hectographs.	Pencil sharpeners.	Sponges.
Indexes.	Pencils for writing and drawing.	Stamps, impression.
Ink for writing and drawing.	Penholders.	Stylographs.
Inkstands.	Penracks.	Tablets, blank and printed.
Invoice books.	Pens for writing and drawing.	Tape.
Legal cap paper.	Phonographs and records.	Telegraph blanks.
Letter paper.	Pins.	Tissue (impression) paper.
Manifold paper.	Postage.	Tracing cloth.
Manifold pens.	Profile books and paper.	Tracing paper.
Mimeographs.	Punches (not conductor's or baggage-men's).	Twine.
Mucilage.	Rubber bands.	Typewriters and ribbons.
Mucilage brushes.	Rubber stamps.	Wage tables.
Neostyles.	Rulers.	Wastebaskets.
Note paper.	Ruling pens.	Water colors.
Notices.	Scrapbooks.	Water holders.
Numbering stamps.	Sealing wax.	Wrapping paper.
Oil paper.	Seals.	Wringers for copying presses.
Paper.		
Paper baskets.		
Paper clips.		
Paper cutters.		

NOTE.—The cost of dictionaries, periodicals, technical books, etc., shall be included in the appropriate superintendence accounts.

OTHER EXPENSES.

This account shall include all expenses in connection with maintenance of way and structures not provided for elsewhere.

Expenses of this class must be charged to Account No....

277

SOME OF THE ITEMS OF EXPENSE.

Pay and expenses of maintenance of way employees attending conferences with officers in connection with wage disputes.

Fees paid arbitrators in wage disputes with maintenance of way employees.

Payments to maintenance of way employees for time absent on account of sickness, when not compensation for personal injuries.

Gratuities paid to persons for discovering defective rails, etc.

THESE COMPANIES' PROPORTION OF MAINTAINING JOINT TRACKS, YARDS, AND OTHER FACILITIES BY OTHERS.

This account shall include the carrier's proportion of the costs incurred by others in maintaining joint tracks, yards, terminals, and other facilities.

If the expense be for:

FREIGHT SERVICE EXCLUSIVELY—charge to

Account No..... 278a

PASSENGER SERVICE EXCLUSIVELY—charge to

Account No..... 278b

BOTH FREIGHT AND PASSENGER SERVICE—charge to

Account No..... 278c

NOTE.—The purpose of this account is to show the amounts accruing against the carrier for its proportion of the cost of maintaining tracks, yards, and other roadway and structure facilities maintained by others and in the joint use of which the carrier participates. (See special instructions, section 9 of this classification.)

OTHER COMPANIES' PROPORTION OF MAINTAINING JOINT TRACKS, YARDS, AND OTHER FACILITIES BY THESE COMPANIES.

This account shall include amounts chargeable to others as their proportions of the cost incurred by the carrier in maintaining joint tracks, yards, terminals, and other facilities.

If the bills made against other lines for this service be for:

FREIGHT SERVICE EXCLUSIVELY—credit

Account No..... 279a

PASSENGER SERVICE EXCLUSIVELY—credit

Account No..... 279b

BOTH FREIGHT AND PASSENGER SERVICE—credit

Account No..... 279c

NOTE.—The purpose of this account is to show the amounts accruing in favor of the carrier and against others for their proportions of the cost of maintaining tracks, yards, and other roadway and structure facilities maintained by the carrier and in the joint use of which others participate. (See special instructions, section 9 of this classification.)

Extracts from the Official Classification Pertaining to Maintenance of Equipment

THE ACCOUNTS AND TEXTS HERE PRESENTED ARE FOR ILLUSTRATIVE PURPOSES. YOU MUST REFER TO AND BE GUIDED BY THE OFFICIAL CLASSIFICATIONS.

II. MAINTENANCE OF EQUIPMENT.

SUPERINTENDENCE.

This account shall include:

PAY OF OFFICERS.—The pay of officers directly in charge of or engaged in the maintenance of equipment.

Expenses of this class must be charged to Account No.... 301a

A PARTIAL LIST OF OFFICERS.

Vice president.	Engineer of tests.
Assistant vice president.	Supervisor of car department.
General superintendent of motive power.	Electrical engineer.
Assistant general superintendent of motive power.	Assistant electrical engineer.
Mechanical superintendent.	Chemist and assistant chemist.
Superintendent of motive power.	Master car builder.
Assistant superintendent of motive power.	Master mechanic.
Mechanical engineer.	<i>Shop superintendent.</i>
Assistant mechanical engineer.	General foreman.
Chief chemist.	Chief car inspector.
General equipment inspector.	Inspector of passenger-train cars.
	General car inspector.
	Traveling boiler inspector.

PAY OF CLERKS AND ATTENDANTS.—The pay of clerks and other employees in the offices and on business cars of officers whose pay is chargeable to this account.

Expenses of this class must be charged to Account No.... 301b

A PARTIAL LIST OF EMPLOYEES.

Chief motive power clerks.	Shop clerks.
Chief clerks.	Messengers.
Draftsmen.	Cooks.
Stenographers.	Porters.
Motive power clerks.	

OFFICE AND OTHER EXPENSES.—Office expenses and other expenses of officers and employees whose pay is chargeable to this account, and amounts paid to detective agencies and others for investigations in connection with repairs of equipment.

Expenses of this class must be charged to Account No.... 301

SOME ITEMS OF EXPENSE AND SUPPLIES.

Atlases and maps.	Lighting.
Barometers.	Official train service.
Books for office use.	Periodicals and newspapers.
Business car service.	Power.
Drafting instruments.	Provisions for business cars.
Drafting supplies.	Rent of offices.
Engineering supplies.	Repair of rented offices.
Fees and dues in technical associations.	Telegraph service.
Furniture repairs and renewals.	Telephone service.
Heating.	Traveling expenses.
	Water and ice.

NOTE A.—When employees designated above are engaged on construction or other work not chargeable to Maintenance of Equipment, their pay and expenses while thus employed shall be charged to accounts covering the specific work on which engaged.

NOTE B.—When officers designated above have supervision over more than one department, their salaries, the pay of their clerks and attendants, and their office and other expenses shall be apportioned equally among the departments over which they have jurisdiction.

NOTE C.—The cost of stationery purchased for maintenance of equipment offices is chargeable to account No. 334, "Stationery and printing."

NOTE D.—The pay of general foremen in small shops, who exercise direct supervision over all departments, unassisted by departmental foremen, shall be apportioned through clearing account "Shop expenses."

SHOP MACHINERY.

This account shall include the cost of repairing machinery and other apparatus, including special foundations, in shops and enginehouses.

Expenses of this class must be charged to Account No....

302

PARTIAL LIST OF SHOP MACHINERY.

Air compressor.	<i>Forging machines.</i>	<i>Power hammers.</i>
Anvils.	<i>Foundry ladles.</i>	<i>Pulleys.</i>
Ash conveyors.	<i>Framing machines.</i>	<i>Punches.</i>
Belting.	<i>Furnaces.</i>	<i>Riveters.</i>
Blowers.	<i>Gauge testing machines.</i>	<i>Rolls, bending.</i>
Boilers for furnishing power.	<i>Grinding and polishing machines.</i>	<i>Saws (power).</i>
Boring machines.	<i>Grindstone frames and pulleys.</i>	<i>Sewing machines.</i>
Brass melting furnaces.	<i>Hoists.</i>	<i>Scales, portable.</i>
Cars, small motor.	<i>Hydraulic presses.</i>	<i>Screw jacks.</i>
Cars, push.	<i>Hydraulic jacks.</i>	<i>Shafting.</i>
Chain falls.	<i>Lathes.</i>	<i>Shapers.</i>
Cranes and attachments.	<i>Lifting magnets.</i>	<i>Slotters.</i>
Cupolas.	<i>Lve vats.</i>	<i>Stationary engines.</i>
Cylinder boring bars.	<i>Metal chimneys.</i>	<i>Steam hammers.</i>
Dies for steam hammers and forging machines.	<i>Milling machines.</i>	<i>Tire heaters.</i>
Drill presses.	<i>Motors.</i>	<i>Trucks, wagon.</i>
Drilling machines.	<i>Pipe cutting and threading machines.</i>	<i>Trucks, tire handling.</i>
Drop tables.	<i>Planers.</i>	<i>Valve facing machines.</i>
Emery wheel frames and pulleys.	<i>Pneumatic drills.</i>	<i>Vises.</i>
Forges.	<i>Pneumatic hammers.</i>	<i>Welding machines.</i>
Flangers.	<i>Pneumatic presses.</i>	<i>Woodworking machines.</i>
Flue rattlers.	<i>Power machinery, where no distinct power plant is provided.</i>	<i>Work benches.</i>

NOTE A.—The cost of repairing power plant machinery for shop power when located in distinct buildings shall be included in account No. 304, "Power plant machinery."

NOTE B.—The cost of repairing boilers used exclusively for heating shall be included in the appropriate repair accounts for buildings.

NOTE C.—The cost of small tools which are soon worn out, when used by mechanics on miscellaneous work, shall be included in clearing account "Shop expenses," and when used on repairs of equipment shall be included in the appropriate accounts for repairs of equipment.

NOTE D.—The cost of repairing machinery and tools in shops used exclusively for maintenance of way and structures shall be included in account No. 229, "Roadway buildings."

POWER PLANT MACHINERY.

This account shall include the cost of repairing machinery and other apparatus, including special foundations, for generating power in power plants used for the operation of trains and cars and to furnish power, heat, and light for general purposes. It shall also include the cost of repairing machinery and other apparatus for transforming and storing power, when such apparatus is contained in a power plant.

Expenses of this class must be charged to Account No....

DETAILS OF SOME POWER PLANT MACHINERY.

Ammeters.	Engine-room appliances	Sewer connections.
Ash conveyors.	and tools.	Shafting.
Batteries.	Feed-water heaters.	Stationary engines.
Belting.	Furnaces.	Steam distribution
Boiler-room appliances	Generators.	systems.
and tools.	Globes.	Steam fittings.
Boilers and fittings.	Hangers.	Switchboards.
Boosters.	Heating apparatus.	Tanks.
Cables.	Hoists.	Transformers.
Circuit breakers.	Insulators.	Turbines.
Clutches.	Lamps.	Voltmeters.
Conductors.	Lighting apparatus.	Water meters.
Cranes.	Lubricating devices.	Water wheels.
Draft machinery.	Mechanical stokers.	Wires from genera-
Dynamos.	Piping.	tors or transform-
Economizers.	Poles.	ers to switchboard.
Electric-power distri-	Pumps.	
bution systems, inte-	Purifiers.	
rior.	Rheostats.	

NOTE A.—The cost of repairing power apparatus in shops where no distinct plant is provided shall be included in account No. 302, "Shop machinery."

NOTE B.—The cost of repairing power apparatus in stations and offices used solely for station and office purposes, where no distinct plant is provided, shall be included in account No. 227, "Station and office buildings."

NOTE C.—The cost of repairing power apparatus in plants used solely for operating signals and interlockers shall be included in account No. 249, "Signals and interlockers."

POWER SUBSTATION APPARATUS.

This account shall include the cost of repairing machinery and other apparatus, including special foundations, for transforming or storing power in power substations used for the operation of trains and cars and for power, heat, and light for general purposes.

Expenses of this class must be charged to Account No. . . . 306

DETAILS OF SOME OF THE POWER SUBSTATION APPARATUS.

Rotary converters.

Switchboards.

Storage batteries.

Transformers.

NOTE.—When machinery and other apparatus for transforming and storing power are located in a power plant the cost of repairs shall be included in account No. 304, "Power plant machinery."

STEAM LOCOMOTIVES—REPAIRS.

This account shall include the cost of repairing transportation service steam locomotives and tenders, including all appurtenances, and the cost of small hand tools used in repair work.

This account shall also include the cost of work-train service for the transportation of locomotives without steam to shops for repairs, including the pay and expenses of caretakers, and the pay and expenses of caretakers of locomotives without steam which are hauled in transportation service trains to shops for repairs; also notarial fees in connection with reports on conditions of locomotives.

If the expense be for:

Locomotives assigned exclusively to FREIGHT-TRAIN SERVICE or locomotives in freight-train service performing incidental passenger service charge to Account No. 308a

Locomotives assigned exclusively to PASSENGER-TRAIN SERVICE or locomotives in passenger-train service performing incidental freight service charge to Account No. 308b

Locomotives assigned exclusively to SWITCHING SERVICE or locomotives in switching service performing incidental freight or passenger service charge to Account No. 308c

PARTIAL LIST OF APPURTENANCES TO LOCOMOTIVES.

Air-brake equipment and hose.	Head lamps.
Arm rests.	Packing (except for lubricating).
Awnings.	Pneumatic sanding equipment.
Brake fixtures.	Seat boxes.
Cab cushions.	Speed recorders.
Cab lamps.	Steam-gauge lamps.
Clocks.	Steam-heat equipment and hose.
Coal boards.	Storm doors.
Fire extinguishing apparatus.	Tool boxes.
Gongs.	Train-signal equipment and hose.

NOTE A.—The cost of inspecting smokestacks and ash pans of locomotives in service shall be included in the appropriate enginehouse expense accounts.

NOTE B.—The cost of repairing steam locomotives and tenders of foreign lines, waybilled as freight, and damaged in transit shall be charged to account No. 418, "Loss and damage—Freight"; and the cost of repairing steam locomotives and tenders of foreign lines having trackage rights over the carrier's line, damaged by collision, wreck, or other cause, for which the carrier is liable, shall be charged to account No. 416, "Damage to property."

NOTE C.—The cost of running locomotives under steam to shops for repairs in connection with transportation service shall be included in the cost of the service in connection with which the movement occurs.

NOTE D.—The cost of repairing steam locomotives used solely in work service in connection with operations shall be included in account No. 326, "Work equipment—Repairs." The cost of repairing locomotives on account of construction work shall be included in the cost of the work. (See general instructions for the classification of investment in road and equipment, section 4c.)

STEAM LOCOMOTIVES—RETIREMENTS.

This account shall include amounts necessary to adjust the difference between the ledger value (less salvage) of steam locomotives retired from service and the amount of accrued depreciation charged on account of such retired locomotives to the date of their retirement. (See road and equipment account II, Equipment, paragraphs 4 and 5.)

The cost of demolishing steam locomotives, when at the expense of this Company, shall be charged to this account in the manner prescribed in the General Rules and Instructions

of this Company with respect to accounting for Material and Supplies.

If the expense be for:

Locomotives assigned exclusively to FREIGHT TRAIN SERVICE charge to Account No..... 310a

Locomotives assigned exclusively to PASSENGER TRAIN SERVICE charge to Account No..... 310b

Locomotives assigned exclusively to SWITCHING SERVICE charge to Account No..... 310c

NOTE.—Steam locomotives permanently retired from service, but held pending disposition, shall be written out of service and carried in an appropriate suspense account at an equitable valuation.

OTHER LOCOMOTIVES—REPAIRS.

This account shall include the cost of repairs of transportation service locomotives other than steam locomotives, analogous to those set forth for steam locomotives in account No. 308, "Steam locomotives—Repairs."

Expenses of this class must be charged to Account No.... 311

OTHER LOCOMOTIVES—RETIREMENTS.

This account shall include amounts necessary to adjust the difference between the ledger value (less salvage) of locomotives other than steam locomotives retired from service and the amount of accrued depreciation charged on account of such retired locomotives to the date of their retirement. (See road and equipment account II, Equipment, paragraphs 4 and 5.)

The cost of demolishing other locomotives, when at the expense of this Company, shall be charged to this account in the manner prescribed in the General Rules and Instructions of this Company with respect to accounting for Material and Supplies.

Expenses of this class must be charged to Account No.... 313

NOTE.—Locomotives permanently retired from service, but held pending disposition, shall be written out of service and carried in an appropriate suspense account at an equitable valuation.

FREIGHT-TRAIN CARS—REPAIRS.

This account shall include the cost of repairing freight-train cars and appurtenances, and cost of repairs of the freight-car feature of motor cars engaged in transportation service; also cost of small hand tools used in repairs. This account shall also include the net loss sustained on account of the destruction of foreign freight cars in the carrier's transportation service and amounts paid to others for repairs of freight cars for which the carrier is liable.

If the expense be for:

<i>Home Cars repaired at Company Shops, charge to Account No.</i>	314a
<i>Home Cars repaired at Foreign Shops, charge to Account No..</i>	314b
<i>Foreign Cars repaired at Company Shops, charge to Account No.</i>	314c
<i>Foreign Cars repaired at Foreign Shops, charge to Account No.</i>	314d

PARTIAL LIST OF FREIGHT-TRAIN CARS.

Ballast (commercial).	Gondola.	Produce.
Beer.	Gondola (hopper).	Rack.
Box.	Gondola (long).	Refrigerator.
Cabin.	Gun truck.	Stock.
Caboose.	Hay.	Tank (in commercial service).
Charcoal.	Lime.	Water (in commercial service).
Coal.	Logging.	Work (in commercial service).
Coke.	Oil tank.	
Dump (commercial).	Ore.	
Flat.	Platform.	
Fruit.	Poling.	
Furniture.	Poultry.	

PARTIAL LIST OF APPURTENANCES TO FREIGHT-TRAIN CARS.

Air-brake equipment, including hose.	Heating equipment.	Train - signal equipment, including hose.
Cooking equipment and utensils.	Ice boxes.	Water tanks.
Cushions.	Lamps and fixtures.	
	Seats.	
	Speed recorders.	

NOTE A.—The cost of candles, wicks, lamp chimneys, globes, and shades for oil or other lamps in freight-train cars shall be charged to account No. 402, "Train supplies and expenses."

NOTE B.—The cost of repairing freight-train cars of foreign lines waybilled as freight and damaged in transit shall be charged to account No. 418, "Loss and damage—Freight"; and the cost of repairing freight-train cars of foreign lines having trackage rights over the car-

rier's line, when damaged by collision, wreck, or other cause, for which the carrier is liable, shall be charged to account No. 416, "Damage to property."

FREIGHT-TRAIN CARS—RETIREMENTS.

This account shall include amounts necessary to adjust the difference between the ledger value (less salvage) of freight-train cars retired from service and the amount of accrued depreciation charged on account of such retired cars, to the date of their retirement. (See road and equipment account II, Equipment, paragraphs 4 and 5.)

The cost of demolishing freight-train cars, when at the expense of this Company, shall be charged to this account in the manner prescribed in the General Rules and Instructions of this Company with respect to accounting for Material and Supplies.

Expenses of this class must be charged to Account No.... 316

NOTE.—Freight-train cars permanently retired from service, but held pending disposition, shall be written out of service, and carried in an appropriate suspense account at an equitable valuation.

PASSENGER-TRAIN CARS—REPAIRS.

This account shall include the cost of repairing passenger-train cars and appurtenances and passenger-car features of motor cars used in transportation service; small hand tools used in repairs; the net loss sustained on account of the destruction of foreign passenger-train cars in the carrier's transportation service, and amounts paid others for repairs of passenger-train cars for which the carrier is liable.

Expenses of this class must be charged to Account No.... 317

PARTIAL LIST OF PASSENGER-TRAIN CARS.

Baggage.	Combination passenger	Parlor-baggage.
Baggage-express.	and baggage.	Passenger.
Baggage-mail.	Dining.	Passenger-baggage.
Baggage-mail-express.	Express.	Passenger - baggage -
Buffet.	Immigrant.	mail.
Cafe.	Library.	Postal.
Chair.	Mail.	Refrigerator-express.
Club.	Milk.	Sleeping.
Colonist.	Observation.	Smoking.
	Parlor.	Tourist.

PARTIAL LIST OF APPURTENANCES TO PASSENGER-TRAIN CARS.

Air - brake equipment, including hose.	Ice boxes.	Table china.
Bedding.	Ice tanks.	Table glassware.
Chairs.	Kitchen equipment and utensils.	Table linen.
Coat hooks.	Lighting equipment.	Table silver.
Curtains and fixtures.	Mail catchers.	Toilet equipment.
Cushions.	Parcel racks.	Train - signal equip- ment, including
Electric bells.	Ranges and boilers.	hose.
Floor coverings.	Seats.	Water tanks.
Heating equipment and steam heat hose.	Speed recorders.	
	Steam heat hose.	

NOTE A.—The cost of candles, wicks, and lamp chimneys, and of globes and shades for electric and other lights in passenger-train cars shall be charged to account No. 402, "Train supplies and expenses."

NOTE B.—The cost of repairing passenger-train cars of foreign lines, which are waybilled as freight and have been damaged in transit, shall be charged to account No. 418, "Loss and damage—Freight," and the cost of repairing passenger-train cars of foreign lines having trackage rights over the carrier's line, when damaged by collision, wreck or otherwise, for which the carrier is liable, shall be charged to account No. 416, "Damage to property."

PASSENGER-TRAIN CARS—RETIREMENTS.

This account shall include amounts necessary to adjust the difference between the ledger value (less salvage) of passenger-train cars retired from service and the amount of accrued depreciation charged on account of such retired cars to the date of their retirement. (See road and equipment account II, Equipment, paragraphs 4 and 5.)

The cost of demolishing passenger-train cars, when at the expense of this Company, shall be charged to this account in the manner prescribed in the General Rules and Instructions of this Company with respect to accounting for Material and Supplies.

Expenses of this class must be charged to Account No....

319

NOTE.—Passenger-train cars permanently retired from service, but held pending disposition, shall be written out of service and carried in an appropriate suspense account at an equitable valuation.

MOTOR EQUIPMENT OF CARS—REPAIRS.

This account shall include the cost of repairing motor equipment affixed to cars; also cost of small hand tools used in repairs. The cars to which this account has reference are distinct from independent locomotives used for the propulsion of trains.

Expenses of this class must be charged to Account No....

320

SOME ITEMS OF MOTOR EQUIPMENT.

Batteries, storage.	Generators.	Switches.
Circuit breakers.	Lightning arresters.	Third-rail contact.
Controllers.	Motors.	Trolley poles.
Engines, internal-combustion.	Overload switches.	Trolleys.
	Rheostats.	

MOTOR EQUIPMENT OF CARS—RETIREMENTS.

This account shall include amounts necessary to adjust the difference between the ledger value (less salvage) of motor equipment of cars retired from service, and the amount of accrued depreciation charged on such retired equipment to the date of its retirement. (See road and equipment account II, Equipment, paragraphs 4 and 5.)

The cost of demolishing the motor equipment of cars, when at the expense of this Company, shall be charged to this account in the manner prescribed in the General Rules and Instructions of this Company with respect to accounting for Material and Supplies.

Expenses of this class must be charged to Account No....

322

NOTE.—The motor equipment of cars permanently retired from service, but held pending disposition, shall be written out of service and carried in an appropriate suspense account at an equitable valuation.

FLOATING EQUIPMENT—REPAIRS.

This account shall include the cost of repairing floating equipment (other than work equipment), including appurtenances, and cost of small hand tools used in repairs.

The pay and expenses of captains and engineers and of boat employees, while engaged on maintenance of floating equipment, shall be included in this account.

Expenses of this class must be charged to Account No....

323

PARTIAL LIST OF FLOATING EQUIPMENT.

Barges.	Lighters.	Steamboats.
Canal boats.	Power launches.	Steamships.
Car and other floats.	Power lighters.	Transfer boats.
Ferryboats.	Scows.	Tugboats.

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PARTIAL LIST OF APPURTENANCES, TOOL EQUIPMENT, AND FURNITURE.

Anchors.	Floor coverings.	Racks.
Axes.	Flue cleaners.	Railings.
Barometers.	Furniture.	Rakes.
Beds and bedding.	Gangplanks.	Rigging.
Binnacle lamps.	Hatchets.	Safes.
Blocks and tackle.	Heating equipment.	Sails.
Boilers and foundations.	Hoisting equipment.	Scales.
Cables.	Hooks.	Seats, chairs, and cushions.
Capstan bars.	Keys.	Shovels.
Carpets.	Kitchen equipment.	Slice bars and pokers.
Charts.	Life preservers.	Spyglasses.
China, crockery, and glassware.	Lighting equipment.	Steam distribution systems.
Chronometers.	Linen.	Steering equipment.
Clocks.	Lines.	Telescopes.
Compasses.	Logs.	Ticket cases.
Counters.	Machinery and foundations.	Tool boxes.
Desks.	Masts.	Tools, miscellaneous.
Engines and foundations.	Office furniture.	Tracks on car floats.
Fire buckets.	Oil cans.	Ventilating equipment.
Fire extinguishers.	Pianos and other musical instruments.	Wrenches.
	Pumps.	

NOTE A.—When the compensation for the use of floating equipment includes rent, maintenance, and operation, the portion covering rent shall be included in income account No. 539, "Rent for floating equipment," the portion covering repairs shall be included in this account, the portion covering depreciation shall be included in account No. 324, "Floating equipment—Depreciation," and the portion covering operation shall be included in account No. 408, "Operating floating equipment," or in the primary accounts in general account V, Transportation—Water Line, as may be appropriate.

NOTE B.—The cost of repairs resulting from casualties shall be charged to the casualty accounts when covered by insurance and to insurance reserves to the extent of the accruals therein when such reserves have been provided for the damage to property. Any part of such cost not recoverable from underwriters or chargeable to insurance reserves shall be charged to the repair account.

FLOATING EQUIPMENT—RETIREMENTS.

This account shall include amounts necessary to adjust the difference between the ledger value (less salvage) of floating equipment, other than work equipment, retired from service and the amount of accrued depreciation charged on account of such retired equipment to the date of its retirement. (See road and equipment account II, Equipment, paragraphs 4 and 5.)

The cost of demolishing floating equipment, when at the expense of this Company, shall be charged to this account in the manner prescribed in the General Rules and Instructions of this Company with respect to accounting for Material and Supplies.

Expenses of this class must be charged to Account No.... 325

NOTE.—When floating equipment is permanently retired from service, but held pending disposition, it shall be written out of service and carried in an appropriate suspense account at an equitable valuation.

WORK EQUIPMENT—REPAIRS.

This account shall include the cost of repairing rail and floating work equipment, including appurtenances, and cost of small hand tools used in repairs.

The cost of fitting up commercial cars for work service in connection with maintenance and operation; the cost of refitting them for commercial service; the cost of repairs to locomotives while in service for repairs of road and equipment; and the cost of repairs to foreign cars damaged while in such service shall be included in this account; also amounts paid in settlement for such cars destroyed in such service.

Expenses of this class must be charged to Account No.... 326

PARTIAL LIST OF WORK EQUIPMENT—RAIL.

Air-brake instruction cars.	Concrete mixers (mounted).	Grading cars.
Ballast cars.	Derrick cars.	Gravel cars.
Ballast unloader cars.	Dirt spreaders	Indicator cars.
Boarding cars.	(mounted).	Locomotive tanks used as water cars.
Bridge cars.	Ditching cars.	Locomotives.
Business cars.	Dump cars.	Officers' cars.
Camp cars.	Dynamometer cars.	Outfit cars.
Cinder cars.	Gas-tank cars.	Painters' cars.

Pay cars.	Snow drags.	Sweeper cars.
Pile drivers (mounted).	Snow plows (not attached to but moved by locomotives).	Tool and block cars.
Rail saws (mounted).	Sprinkling cars.	Tool cars.
Salt cars.	Steam shovels.	Water cars.
Sanding cars.	Steam wrecking derricks.	Weed burners (mounted).
Scale test cars.	Supply cars.	Wrecking cars.
Scraper cars.		
Snow dozers.		

SOME APPURTENANCES TO WORK EQUIPMENT—RAIL.

Air-brake equipment.	Engines on cars.	Rakes.
Bars.	Flue cleaners.	Ranges.
Beds and bedding.	Hatchets.	Rope.
Blocking.	Heating equipment.	Shovels.
Blocks and tackle.	Hooks.	Slice bars and pokers.
Boilers on cars.	Jacks.	Tarpaulins.
Bunks, seats, and chairs.	Kitchen utensils.	Tool boxes.
Cable.	Lighting equipment.	Tools, miscellaneous.
Car replacers.	Linen.	Train-signal equipment.
Chains.	Lines.	Wrecking trucks.
China, crockery, and glassware.	Levers.	Wrenches.
Cushions.	Machinery on cars.	
	Mauls.	
	Oil cans.	

LIST OF SOME WORK EQUIPMENT—FLOATING.

Derricks.	Dredges.	Pile drivers.
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SOME APPURTENANCES TO WORK EQUIPMENT—FLOATING.

Anchors.	Fire buckets.	Oil cans.
Axes.	Floor coverings.	Pumps.
Barometers.	Flue cleaners.	Rakes.
Beds and bedding.	Gangplanks.	Rigging.
Blocks and tackle.	Hatchets.	Sails.
Boilers and foundations.	Heating equipment.	Seats and chairs.
Cables.	Hoisting equipment.	Shovels.
China, crockery, and glassware.	Hooks.	Slice bars and pokers.
Compasses.	Keys.	Steam distribution systems.
Cushions.	Life preservers.	Steering equipment.
Desks.	Lighting equipment.	Tool boxes.
Engines and foundations.	Linen.	Tools, miscellaneous.
Fire extinguishers.	Lines.	Wrenches.
	Machinery and foundations.	
	Masts.	

NOTE.—The cost of repairs to work equipment on account of construction work shall be included in the cost of the construction work on which it is used. (See general instructions for the classification of investment in road and equipment, section 4c.)

WORK EQUIPMENT—RETIREMENTS.

This account shall include amounts necessary to adjust the difference between the ledger value (less salvage) of work equipment retired from service and the amount of accrued depreciation charged on account of such retired equipment to the date of its retirement. (See road and equipment account II, Equipment, paragraphs 4 and 5.)

The cost of demolishing work equipment, when at the expense of this Company, shall be charged to this account in the manner prescribed in the General Rules and Instructions of this Company with respect to accounting for Material and Supplies.

Expenses of this class must be charged to Account No. . . . 328

NOTE.—When work equipment is permanently retired from service, but held pending disposition, it shall be written out of service and carried in an appropriate suspense account at an equitable valuation.

MISCELLANEOUS EQUIPMENT—REPAIRS.

This account shall include the cost of repairing miscellaneous equipment, such as wagons, automobiles, and other highway vehicles, and harness.

Expenses of this class must be charged to Account No. . . . 329

MISCELLANEOUS EQUIPMENT—RETIREMENTS.

This account shall include amounts necessary to adjust the difference between the ledger value (less salvage) of miscellaneous equipment, including horses, retired from service and the amount of accrued depreciation charged on account of such retired equipment to the date of its retirement. (See road and equipment account II, Equipment, paragraphs 4 and 5.)

The cost of demolishing miscellaneous equipment, when at the expense of this Company, shall be charged to this account in the manner prescribed in the General Rules and Instructions of this Company with respect to accounting for Material and Supplies.

Expenses of this class must be charged to Account No. . . . 331

NOTE.—Miscellaneous equipment permanently retired from service, but held pending disposition, shall be written out of service and carried in an appropriate suspense account at an equitable valuation.

INJURIES TO PERSONS.

This account shall include expenses on account of injuries to persons which occur directly in connection with repairs of equipment.

Services of employees and others called in consultation in relation to claim adjustments, pay and expenses of employees while engaged as witnesses at inquests and lawsuits, and a suitable proportion of donations made to hospitals shall be included in this account.

Expenses of this class must be charged to Account No.... 332

SOME ITEMS OF EXPENSE.

Artificial limbs.	Hospital attendance.
Carriage fees.	Medical and surgical services.
Claim adjusters' and clerks' services.	Medical and surgical supplies.
Claim adjusters' office expenses.	Notarial fees.
Compensation for injuries or death.	Nursing.
Final judgments, including plaintiffs' court costs.	Railway transportation.
Funeral expenses.	Undertakers' services.
	Undertakers' supplies.
	Witnesses' fees and expenses at inquests and law suits.

NOTE A.—Expenses incident to personal injury suits, not otherwise provided for, shall be included in account No. 454, "Law expenses."

NOTE B.—Amounts donated by a carrier to hospitals shall be distributed, 25 per cent to account No. 274, "Injuries to persons"; 25 per cent to account No. 332, "Injuries to persons"; and 50 per cent to account No. 420, "Injuries to persons."

NOTE C.—The pay, office rent, and office and other expenses of claim adjusters, claim clerks, and others in charge of or engaged in connection with claim cases when not assignable to a distinct class of claims, shall be apportioned equally among the several classes of claims over which they have jurisdiction or in connection with which they are engaged.

INSURANCE.

This account shall include premiums, except reinsurance premiums, for insuring the carrier against loss, through injuries

to persons or damage to or destruction or loss of property, whether caused by fire, accident, or other cause, when such loss to the carrier would be chargeable to Maintenance of Equipment; also premiums on fidelity bonds of employees whose pay is chargeable to Maintenance of Equipment.

Expenses of this class must be charged to Account No.... 333

NOTE.—The premiums paid by the carrier to its insurance fund shall be credited to an insurance reserve account, to which account shall be charged the amount of all claims for injuries to persons and damages to the property covered by its insurance. To such account shall also be charged all reinsurance premiums paid to insurance companies, and to it shall be credited all amounts recovered from insurance companies for damage to the property reinsured by them.

STATIONERY AND PRINTING.

This account shall include the cost of stationery and printing used in connection with Maintenance of Equipment.

Expenses of this class must be charged to Account No.... 334

SOME STATIONERY AND PRINTING ITEMS.

Adding machines.	Dating stamps and ribbons.	Letter paper.
Addressographs and supplies.	Dictaphones.	Manifold paper.
Arm rests.	Dictographs.	Manifold pens.
Binders.	Drawing paper.	Mimeographs.
Blank books.	Duplicators.	Mucilage.
Blotters.	Electric pens.	Mucilage brushes.
Blotting paper.	Envelopes.	Neostyles.
Bristol board.	Erasers, rubber and steel.	Note paper.
Calculating machines.	Eyelet punches.	Notices.
Calendars.	Eyelets.	Numbering stamps.
Carbon paper.	File boxes, paper.	Oil paper.
Cardboard.	Forms, blank and printed.	Paper.
Cards, blank and printed.	Glass pens.	Paper baskets.
Circulars.	Hectographs.	Paper clips.
Computing tables.	Indexes.	Paper cutters.
Copy (impression) books.	Ink for writing and drawing.	Paper fasteners.
Copying brushes.	Inkstands.	Paper files.
Copying presses.	Invoice books.	Paper weights.
Crayons.	Legal cap paper.	Papyrographs.
Cyclostyles.		Parchment paper.
		Pencil sharpeners.
		Pencils for writing and drawing.

Penholders.	Scrapbooks.	Tissue (impression)
Penracks.	Sealing wax.	paper.
Pens for writing and drawing.	Seals.	Tracing cloth.
Phonographs and records.	Shears.	Tracing paper.
Pins.	Shipping tags.	Twine.
Postage.	Shorthand notebooks.	Typewriters and ribbons.
Punches (not conductors' or baggage-men's).	Sponge cups.	Wage tables.
Rubber bands.	Sponges.	Wastebaskets.
Rubber stamps.	Stamps, impression.	Water colors.
Rulers.	Stylographs.	Water holders.
Ruling pens.	Tablets, blank and printed.	Wrapping paper.
	Tape.	Wringers for copying presses.
	Telegraph blanks.	

NOTE.—The cost of dictionaries, periodicals, technical books, etc., shall be included in the appropriate superintendence accounts.

OTHER EXPENSES.

This account shall include expenses in connection with the maintenance of equipment not properly chargeable to other accounts for maintenance of equipment or to clearing accounts such as "Material store expenses" and "Shop expenses."

Expenses of this class must be charged to Account No....

335

SOME ITEMS OF EXPENSE.

Pay and expenses of mechanical department employees attending conferences with officers in connection with mechanical department wage disputes.

Fees paid arbitrators in connection with mechanical department wage disputes.

Payments to mechanical department employees for time absent on account of sickness when not compensation for personal injuries.

MAINTAINING JOINT EQUIPMENT AT TERMINALS—DR.

This account shall include the carrier's proportion of expenses incurred by others in maintaining equipment used for the operation of joint terminals, including the carrier's proportion of expenses of repairing equipment made necessary by accidents in terminals, when such expenses are participated in by more than one party using the joint terminals.

If the expense be for:

<i>FREIGHT SERVICE EXCLUSIVELY—charge to Account No.</i>	336a
<i>PASSENGER SERVICE EXCLUSIVELY—charge to Account No.</i>	336b
<i>BOTH FREIGHT AND PASSENGER SERVICE—charge to Account No.</i>	336c

NOTE.—The purpose of this account is to show the amount accruing against the carrier for its proportion of the expense of maintaining equipment at terminals which is maintained by others and in the joint use of which the carrier participates.

MAINTAINING JOINT EQUIPMENT AT TERMINALS—CR.

This account shall include amounts chargeable to others as their proportions of expenses incurred by the carrier in maintaining equipment used for the operation of joint terminals, and for expenses of repairing equipment made necessary by accidents in terminals, when such expenses are participated in by more than one party using the joint terminals.

If the bills made against other lines for this service, be for:

<i>FREIGHT SERVICE EXCLUSIVELY—credit Account No.</i>	337a
<i>PASSENGER SERVICE EXCLUSIVELY—credit Account No.</i>	337b
<i>BOTH FREIGHT AND PASSENGER SERVICE—credit Account No.</i>	337c

NOTE.—The purpose of this account is to show the amounts accruing in favor of the carrier and against others for their proportions of the expense of maintaining equipment at terminals which is maintained by the carrier and in the joint use of which others participate.

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